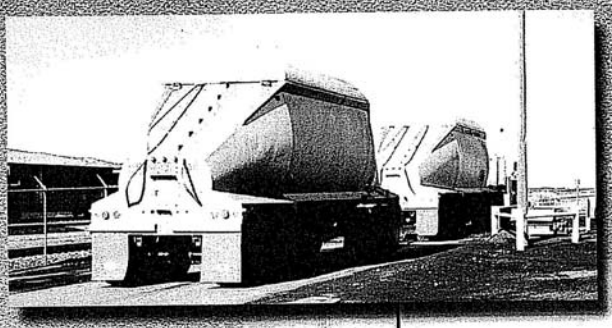
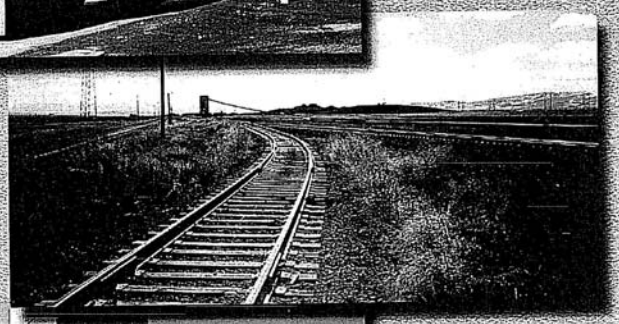
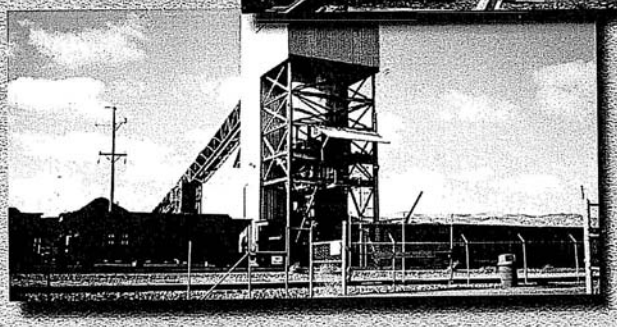
Appendix K: Feasibility Study

Black

Central Utah Rail Feasibility Study







Washington

Utah Associations of Governments

Central Utah Rail Feasibility Study

Prepared for:

Utah Associations of Governments

Prepared by:

Washington Infrastructure Services, Inc.

Freight Services, Inc.

Granger Rail Development Corporation

Jones & DeMille Engineering

BIO-WEST

DRAFT SUBMITTAL
October 17, 2001

EXECUTIVE SUMMARY

Overview

Presently the SUFCO coal haul trucks produce a very large amount of truck traffic through the communities in the Study area between Sharp, Utah at the northern end and Salina, Utah at the southern end. This has created a number of issues throughout the valley that both SUFCO and the SCAOG would like to improve. Both would like to reduce the congestion issues caused by the coal haul trucks passing through these communities. This objective can be accomplished by moving the existing Coal Transfer Station from Sharp/Juab to a location closer to the SUFCO mine near Salina and extending a railroad through the Sevier River Valley to a connection with the UPRR at either Sharp/Juab or Mills, Utah. This would reduce the existing coal haul truck traffic through the area from 750 trucks per day to just a few. For this to be possible, the venture would have to be cost effective to SUFCO and other potential rail users. Therefore, SCAOG contracted with the Washington Infrastructure Services, Inc. (WIS) -led Project Team for development of the Central Utah Rail Feasibility Study.

SCAOG's purpose for the Feasibility Study is to identify and analyze potential railroad corridors that could serve the prospective rail users in the study area and then complete an economic analysis that can be used in attracting prospective owners and operators of the new rail system.

The Project Team accomplished the following goals for the Feasibility Study:

- **Goal 1:** Include corridors that SCAOG and others have evaluated in the past and provide an Evaluation Matrix for corridor selection.
  We completed the corridor analysis, which included up to 18 corridor options. This number was narrowed to two on the North end and five on the South end. A very detailed evaluation matrix was developed that includes engineering, construction costs, right-of-way issues, environmental scan, operation issues, and public's perspective.
- **Goal 2:** Include the Coal Handling Facilities identified by SCAOG & SUFCO.
  We worked with SCAOG and SUFCO and we evaluated four potential locations that were narrowed to two to be able to meet other goals of the study.
- **Goal 3:** Take truck route out of Salina and other valley communities.
  The two coal handling locations selected by SCAOG and SUFCO will meet this goal. SUFCO may need to do some additional haul road routing to accomplish this task.
- **Goal 4:** Minimize impacts to irrigated farmland, public, wetlands, and other environmental issues.
  Each of the corridors affected these areas to varying degrees and this was a part of the final selection process.
- **Goal 5:** Provide a cost effective railroad.
  We utilized Inroads design software, 3-D mapping, and design criteria that are acceptable to the industry and local area for the design, construction, and operations of a rail.
- **Goal 6:** Provide a service to the shippers and receivers in the study area including a Market Analysis of prospective rail users.
  This was completed the first part of the study. Fourteen main potential shippers and receivers were identified.
- **Goal 7:** Provide a rail that may be extended to the south in the future.
  The location of both the coal handling facilities allow for future extensions to the south.
- **Goal 8:** Identify two or three corridors to take to the next step, which is the application to the Surface Transportation Board (STB).

The study has identified several potential corridors that can be carried forward into the application process.

- **Goal 9:** Present the findings to the SCAOG Board
  This is scheduled for November 7, 2001.
- **Goal 10:** Provide the Final Feasibility Analysis document, which can be used by the SCAOG to attract potential owners and operators of the proposed Central Utah Rail system.
  This will be done some time following the completion of the Board presentation and before the end of November 2001. This document can be used to attract owners, operators, and funding agencies.

Observations and Summary

Freight Services, Inc. (FSI), SCAOG, and WIS staff proceeded early in the project to complete a detailed Market Analysis of the study area. This data would be used later in the corridor option analysis as well as the economic analysis.

The Project Team began by developing a quality base map that covered the study area. Once the base map and other supplemental maps were pulled together, the potential corridors were each inspected on the ground by the project team and representatives of the SCAOG. Then the team began to engineer the potential corridor routings through the area. Four main corridors were initially identified and agreed upon by the project team and SCAOG. Then BIO-WEST, one of the team members, completed an environmental scan through the process of a windshield survey of these four corridors while accompanied by representatives of the SCAOG.

From these original four main or primary corridors (WW,CW, CE, & EE) three branches were added that increased the number of corridor possibilities to 15. Also, the study corridor was divided at a common point, Yuba Hill (YH). The corridors to the north of this point are called the North Corridors and those south of this point are called the South Corridors.

The team prepared a detailed Evaluation Matrix that considered a number of topics under the following three headings:

1. Engineering including Construction Costs
2. Right-of-Way
3. Environmental

The project goals and evaluation criteria were utilized to reduce the number of possible corridors to

- Two corridors on the north end of the Study Area
  - 1A (Mills to Yuba Hill via Br3/WW)
  - 2 (Juab to Yuba Hill via CW)
- Five corridors on the south end of the Study Area:
  - 1-1 (Yuba Hill to N. Sigurd via WW/WW1)
  - 2 (Yuba Hill to Salina via CW)
  - 4 (Yuba Hill to Salina via EE)
  - 1A-3 (Yuba Hill to Salina via WW/Br2/CW)
  - 2A-1 (Yuba Hill to N. Sigurd via CW/Br1/WW1)

The engineering of each of these corridors involved the use of Inroads modeling software and 3-D mapping, which were used to create plot plans and profiles for each of the rail alignments within each corridor. This information together with other details was used to develop a construction estimate for each of the corridor options.

The environmental evaluation indicated that there were no fatal flaws throughout the corridors. The corridors that followed nearer the valley floor and Sevier River (corridors CW & CE) were found to have more sensitive environmental issues and higher mitigation costs.

In our judgment, North Corridor 1A ranked slightly ahead of Corridor 2, but either at this point in the analysis would be acceptable. The final selection between these two also will depend on input from UPRR as the project proceeds into design and operation issues. In the Southern Corridors, 1A-3 came was ranked first followed closely by 2, and 1-1. The final selection for the Southern Corridor will depend on the completion of the STB application, the environmental document that is developed as part of that process, public involvement, and the development of more detailed engineering and operations issues.

Following the completion of the evaluation process, Freight Services, Inc. (FSI), a Team Member, completed an economic analysis which involved the utilization of their Market Analysis (completed earlier), the construction estimate, and other supporting details.

The regional economic impact model was programmed with actual economic events in Sanpete and Sevier Counties between 1969 and 1998. The base case for this region has been projected to 2025 based on likely trends without the proposed railroad. Changes in employment and sales as a result of the railroad were put in the model to determine what change throughout the region would result. These changes were based on both a high and low business projection utilizing data developed from the market analysis conducted with the most likely customers for the railroad.

Both the high and low business projections indicated immediate economic benefits will result from the railroad construction. However, subsequent benefits will be dependent upon the railroad's ability to work with local businesses to expand their markets and increase economic activity to overcome the loss of trucking jobs no longer necessary with the rail extension. Under the high business projection, the loss of the trucking jobs is more than overcome, and the region clearly gains in all economic measurements evaluated by the model. However, under the low projection, there is a small net loss of population and employment several years after the railroad construction is finished. This underlines the critical importance of effective marketing that the railroad must do with its customers and supports the case for a locally focused company to manage the railroad.

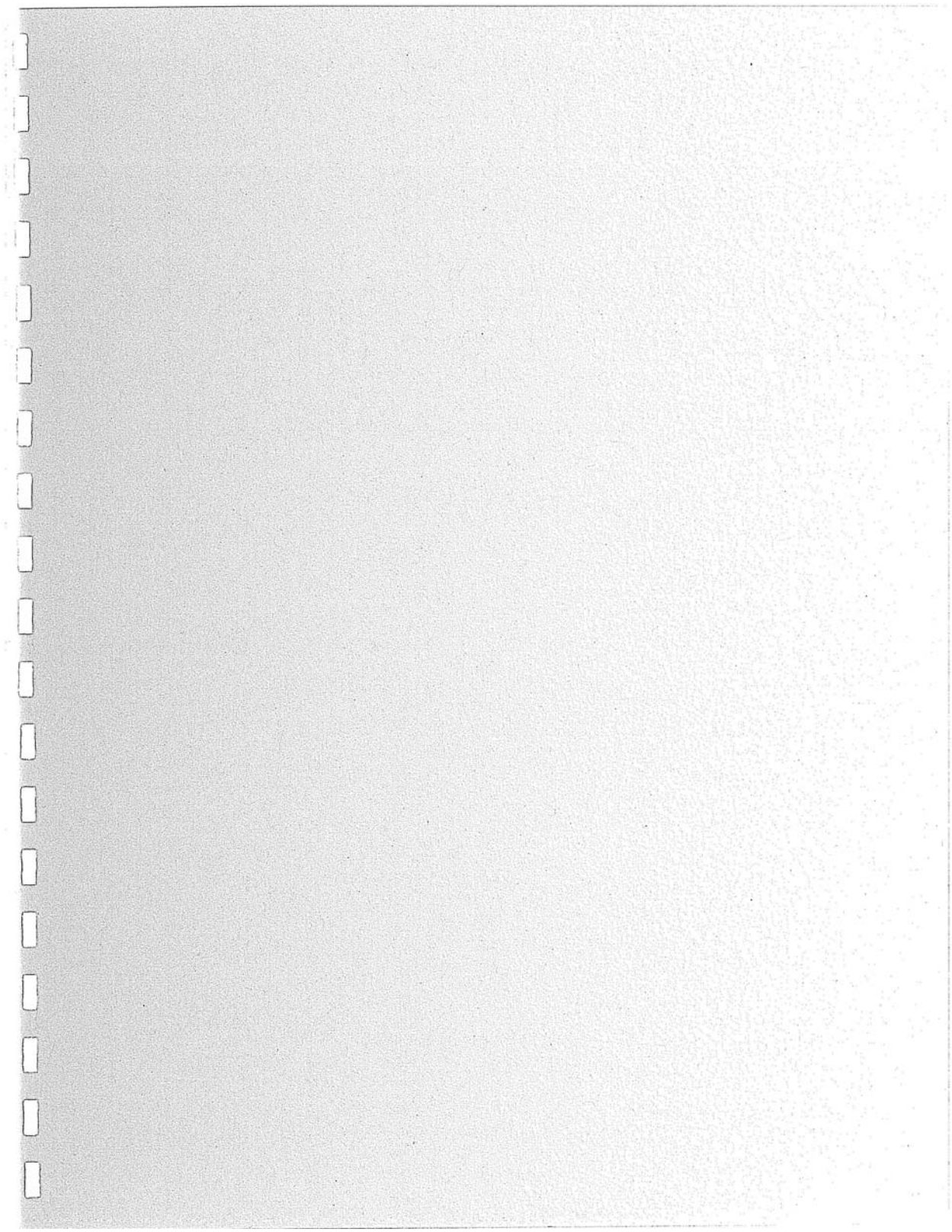
The railroad cost model incorporates all revenue and expense factors that are incurred by railroad operations. Revenues represent typical divisions of revenue found on similar short line railroads and are lower than existing trucking costs to reach the Union Pacific mainline. For the coal, the Central Utah's revenue is based upon trucking savings realized by Canyon Fuels that were represented to be $2.50 per ton. The truck savings are absolutely essential to payback the proposed railroad's debt in a timely fashion.

The variables that will impact payback are the total construction cost and the interest rate. The estimated construction cost is $72 million, and the interest rates utilized were 5% and 7%. These and other financing issues will need to be negotiated with parties who could provide the funding for the railroad's construction. The relative risk of the project will have a major influence on what financing factors will be practical, and it is likely that some level of public backing will be necessary to realize the lower interest rates.

Given the assumptions based on likely freight shipments, payback of the construction principal together with 5 to 7% annual interest would produce a payback period from 12.5 to 25 years. The shorter payback would result from the lower interest rate and a high business forecast, while the longer payback would result from the higher interest rate and a low business forecast.

Once the construction cost is recovered, the railroad would have considerable flexibility to provide a lower shipping charge for unit trains. In addition, if the current shipments by Canyon Fuels were to cease, the railroad would still be viable for the non-coal customers to continue to use it without raising shipping charges.

Ownership and funding options have been evaluated and at this point the most attractive ownership options appear to be a combination of private and public. To conclude the study, ownership and financing options are presented as possible vehicles to carry this viable project forward.



CENTRAL UTAH RAIL FEASIBILITY STUDY
Draft Submittal
Table of Contents

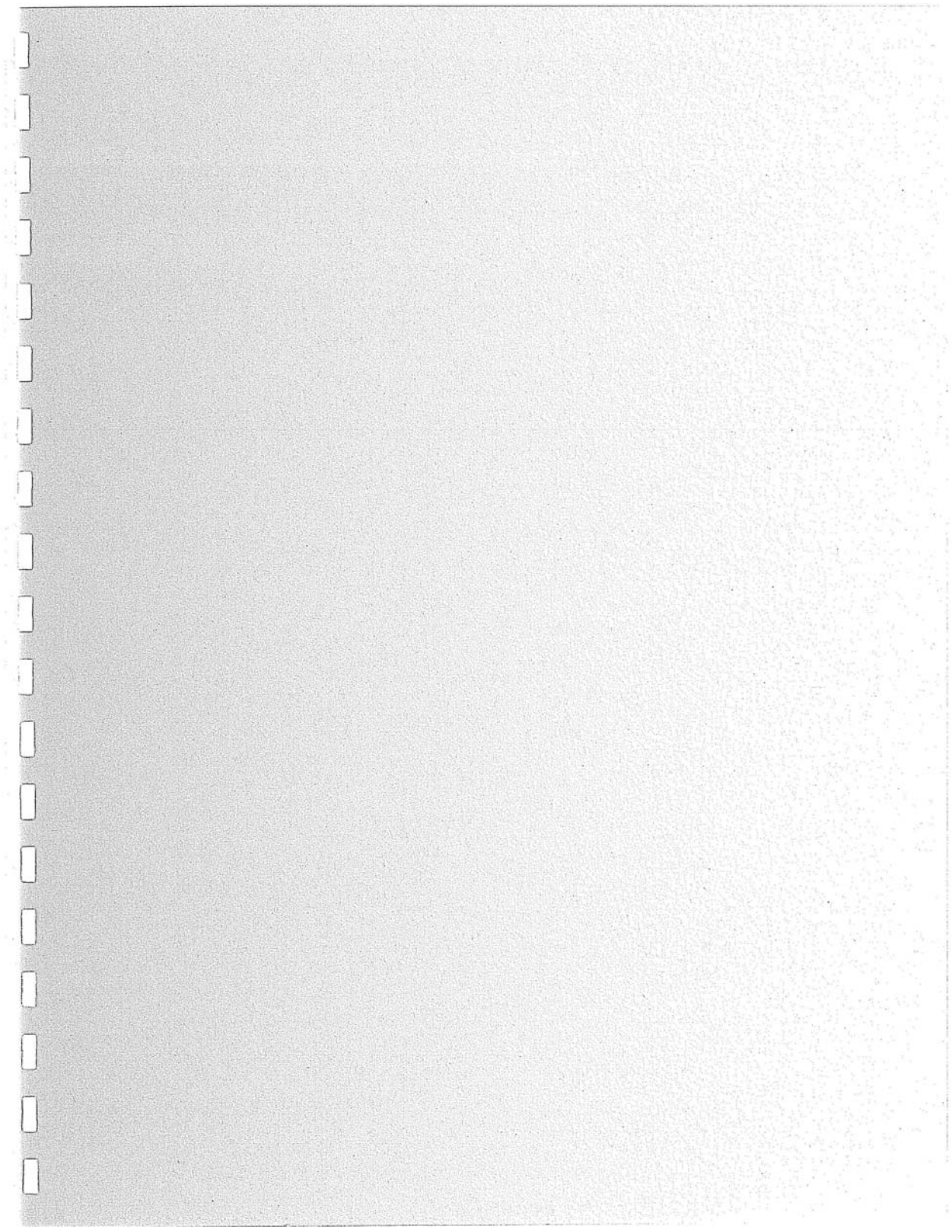
SECTION			PAGE
EXECUTIVE SUMMARY			
1	**CORRIDOR ANALYSIS**		**1-1**
	1.1	Background and Historic Role of Railroads in the Central Utah Area	1-1
	1.2	Existing Conditions	1-1
	1.3	Corridor Options	1-3
	1.3.1	Selection Process	1-3
	1.3.2	Construction Estimate	1-6
	1.3.3	Corridor Advantages and Disadvantages	1-6
	1.3.3.1	North Corridor – 1A (Mills to YH via Br3/WW)	1-7
	1.3.3.2	North Corridor – 2 (Juab to YH via CW)	1-8
	1.3.3.3	South Corridor – 1-1 (YH to N. Sigurd via WW/WW1)	1-8
	1.3.3.4	South Corridor – 2 (YH to Salina via CW)	1-9
	1.3.3.5	South Corridor – 4 (YH to Salina via EE)	1-10
	1.3.3.6	South Alternative Corridor – 1A-3 (YH to Salina via WW/Br2/CW)	1-11
	1.3.3.7	South Alternate Corridor – 2A-1 (YH to N. Sigurd via CW/Br1/WW1)	1-12
	1.3.3.8	South Corridor 2 Alternate (Around Fayette)	1-13
	1.4	Future Extension South	1-13
	1.5	Recommend Corridor(s) & Coal Handling Facilities	1-13
2	**ENVIRONMENTAL SCREENING**		**2-1**
	2.1	Overview	2-1
	2.2	Agency Coordination	2-1
	2.3	File and Literature Review	2-2
	2.4	Project Corridor Reconnaissance	2-2
	2.5	Evaluation Matrix	2-2
	2.6	Summary of Evaluations	2-3
	2.7	Agency Mailing List	2-3
3	**MARKET ANALYSIS**		**3-1**
4	**ECONOMIC ANALYSIS**		**4-1**
	4.1	Regional Economic Impact	4-1
	4.2	Base Case	4-4
	4.3	Central Utah Regional Simulation Low Projections	4-5
	4.4	Central Utah Regional Simulation High Projections	4-12
	4.5	Railroad Operating Characteristics	4-19
	4.6	Railroad Cost Model	4-20

SECTION PAGE

5 OWNERSHIP OPTIONS 5-1
5.1 Overview 5-1
5.2 Private 5-1
5.3 Public 5-2
5.4 Combination of Public and Private 5-2

6 FINANCING OPTIONS FOR THE CENTRAL UTAH RAIL AND RISKS TO THE OWNER 6-1

APPENDICES
Appendix A ..... Aerial Map
Appendix B ..... Evaluation Matrix
Appendix C ..... Construction Estimates
Appendix D ..... Regional Economic Impact Model Detail
Appendix E ..... Railroad Cost Model Detail
- Routes 1A-2 Low Carload Projection
- Routes 1A-2 High Carload Projection
- Routes 1A-1A-3 Low Carload Projection
- Routes 1A-1A-3 high Carload Projection
- Routes 1A-2 Low Carload Projection – No Debt



1 CORRIDOR ANALYSIS

1.1 Background and Historic Role of Railroads in the Central Utah Area

For over 100 years the former Denver & Rio Grande Western Railroad (the D&RGW or Rio Grande) and now part of the Union Pacific Railroad (UPRR) and its predecessor companies had provided rail service to the Central Utah counties of Sanpete, Sevier, and Piute. The Marysvale branch ran from its east/west main line junction at Thistle, Utah, southward 132 miles through the Sanpitch and Sevier River valleys to Marysvale, Utah (see Figure 1 - Rail in Utah). Figure 1 illustrates the existing rail systems in Utah including the abandon line that ran through Richfield to Marysvale, Utah and the proposed Central Utah Rail. This figure illustrates how the Central Utah Rail will fit into the overall Utah railroad system and may serve as a planning tool for future railroad development in Utah.

In April 1983 a landslide of epic proportions buried the Rio Grande's main line just west of Thistle and blocked parallel Spanish Fork Creek and highways US 6 & 89. As a result of the temporary lake that formed, the Rio Grande constructed a new line high on the canyon's north slope including a 3,100-foot tunnel to bypass the temporary lake that had formed. During that same spring, high water runoff at along the branch caused wash-out damage at many other locations. Facing high costs for reconstruction, the Rio Grande made the difficult decision to file for abandonment, which occurred the following year.

Since 1983 local businesses have been required to truck their goods to rail/truck transfer points at Juab, Sharp, or Nephi which are located on a parallel Union Pacific rail line that lies on the western edge of the Juab Valley. Restoring rail service to the Sevier Valley would allow these businesses to regain the choice they previously had of being able to choose the less expensive rail transportation service over trucking.

1.2 Existing Conditions

Since abandonment, the former right of way (ROW) has been sold to adjoining landowners, and in many instances, converted to farming. In non-farming areas, the grade is still evident. Most bridges and drainage structures have been removed, although a few concrete box culverts and short single-span concrete bridges remain.

Southern Utah Fuels Company (SUFCO) is the largest business in the Sevier Valley area. SUFCO's business has steadily grown, and production now exceeds 5 MTY. Much of this is trucked north and then west through Sevier, Sanpete, and Juab Counties to the rail transfer point on the UPRR at the Juab siding. This truck traffic passes through the towns of Salina, Centerfield, Gunnison, and Levan, adversely impacting these communities.

The Sevier Valley runs south to north and is generally a broad flat or rolling area that is divided by the Sevier River. A large portion of the valley floor supports farms that rely on an irrigation system composed of an extensive canal and ditch network. The valley is bounded on either side by two mountain ranges. This topography requires that the railroad be placed within the valley and generally parallel to the river.

Acquisition of an entirely new right-of-way will be required for the new Central Utah Railroad. Of the various corridors studied, one (**EE** - see next Section) includes about 10 miles of the abandoned D&RGW line. The adjoining farm owners now own most of this old right-of-way.

Upon approval of the application to the Surface Transportation Board (STB) to build the Central Utah Railroad Project (CURP), the private and public landowners will be involved in the ultimate corridor selection. As part of the application process, landowners will be contacted to obtain their input into the final location of the rail and to begin negotiations towards acquiring the corridor ROW.

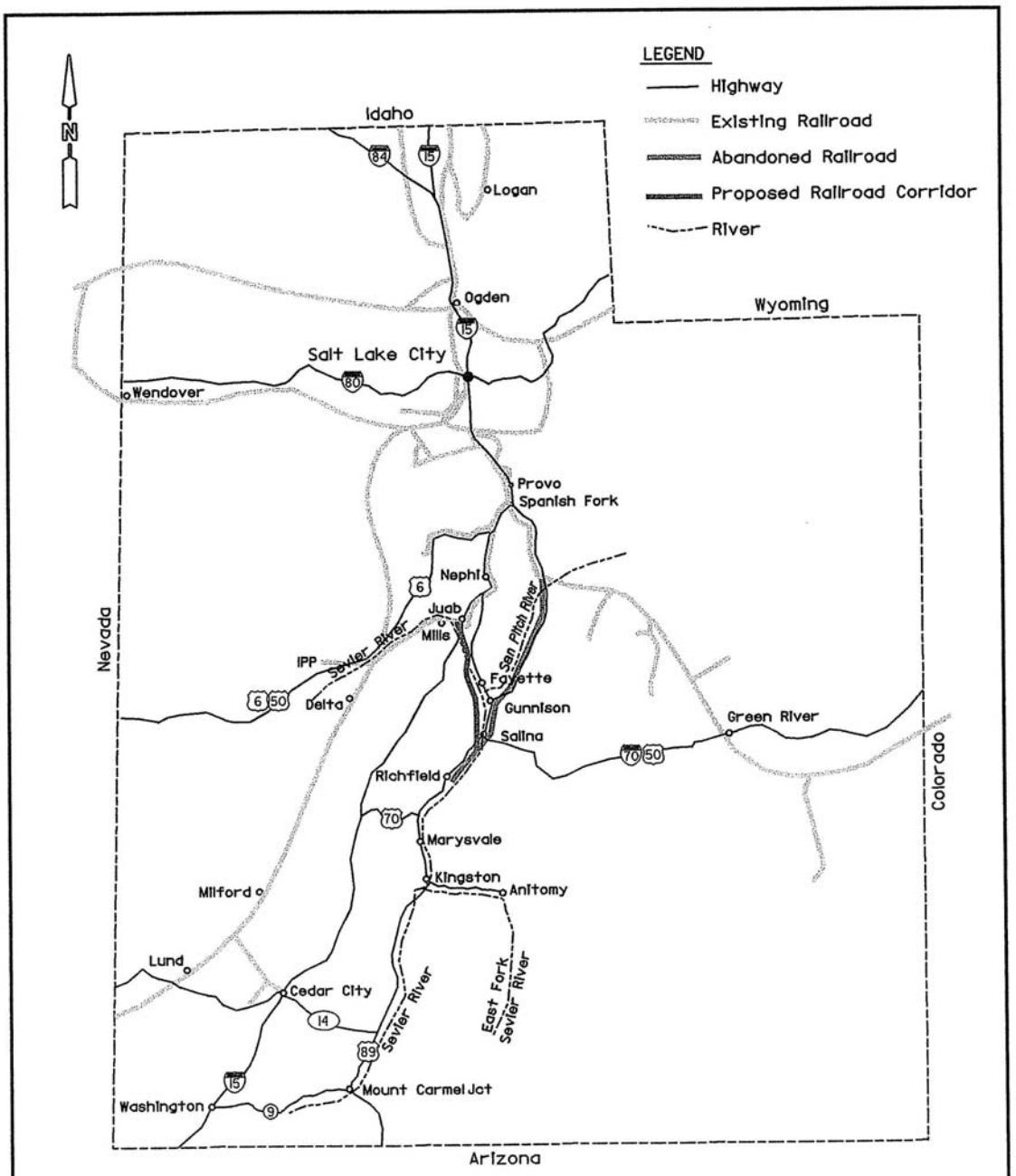


Figure 1
Railroads In Utah

U:\HOME\KFAHEY\UTAH-MAP.DGN

1.3 Corridor Options

1.3.1 Selection Process

The area for this Rail Corridor Study lies between the existing UPRR on the north (close to Levan), south through Juab, Sanpete, and Sevier Counties, to where Interstate 70 crosses the Sevier Valley just north of Sigurd. The feasibility analysis consisted of three major tasks:

1. **Review potential corridor options** that will connect at the existing Union Pacific Rail near Mills or Juab and then run south to a new Coal Transfer Terminal near Salina or Sigurd. (refer to the large Aerial Map with the corridor options in Appendix A and Figure 2 - Central Utah Rail Corridor Options). Corridor options were developed based on the following goals:
   - Minimize disruption to private landowners
   - Minimize the impact to irrigated farmland.
   - Reduce coal haul truck traffic through Salina and other communities.
   - Minimize impacts to wetlands and other environmental impacts
   - Meet rail shippers and receivers needs
   - Optimize rail operations
   - Minimize capital improvement costs
2. **Develop an Evaluation or Selection Matrix** that will:
   - Eliminate those corridors that do not meet the goals defined above
   - Identify corridors that could be carried forward
   - Identify corridors that are likely to be preferred corridor(s)

   The Selection Matrix developed for this study, provided in Appendix B, evaluates:
   - Engineering aspects
   - Construction costs
   - ROW impacts – based on a corridor ½ mile wide
   - Environmental impacts
   - Perceived public opinions
3. **Complete a feasibility analysis**, based on a thorough market and economic analysis, on several of the potentially feasible corridors.

The Project Team began the study corridor routing analysis by first meeting with the SCAOG's Rail Technical Advisory Committee (RTAC). (Corridor details are shown on the Aerial Map in Appendix A, or for a quick overview, see Figure 2 - Central Utah Rail Corridor Options.) The Project Team discussed several corridors that the SCAOG and RTAC staff felt could be considered and added one other from a study performed by D&RGWRR in 1982. This route, 33 miles in length, runs from south of Centerfield, north and west of Gunnison and Fayette, continues past Fayette and between highway 28 and the Yuba Dam Reservoir, and north and west to Mills. We included the corridor along the eastern side of the valley that J&D developed for a client in 1992. The northern portion of this corridor, from the existing UPRR connection near Juab to North of Fayette, follows a portion of the same route discussed above. It then swings to the east of Fayette, Gunnison, and Redmond.

We then completed a windshield survey of each of the routes. For the majority of this survey, we were accompanied by one of the SCAOG staff members.

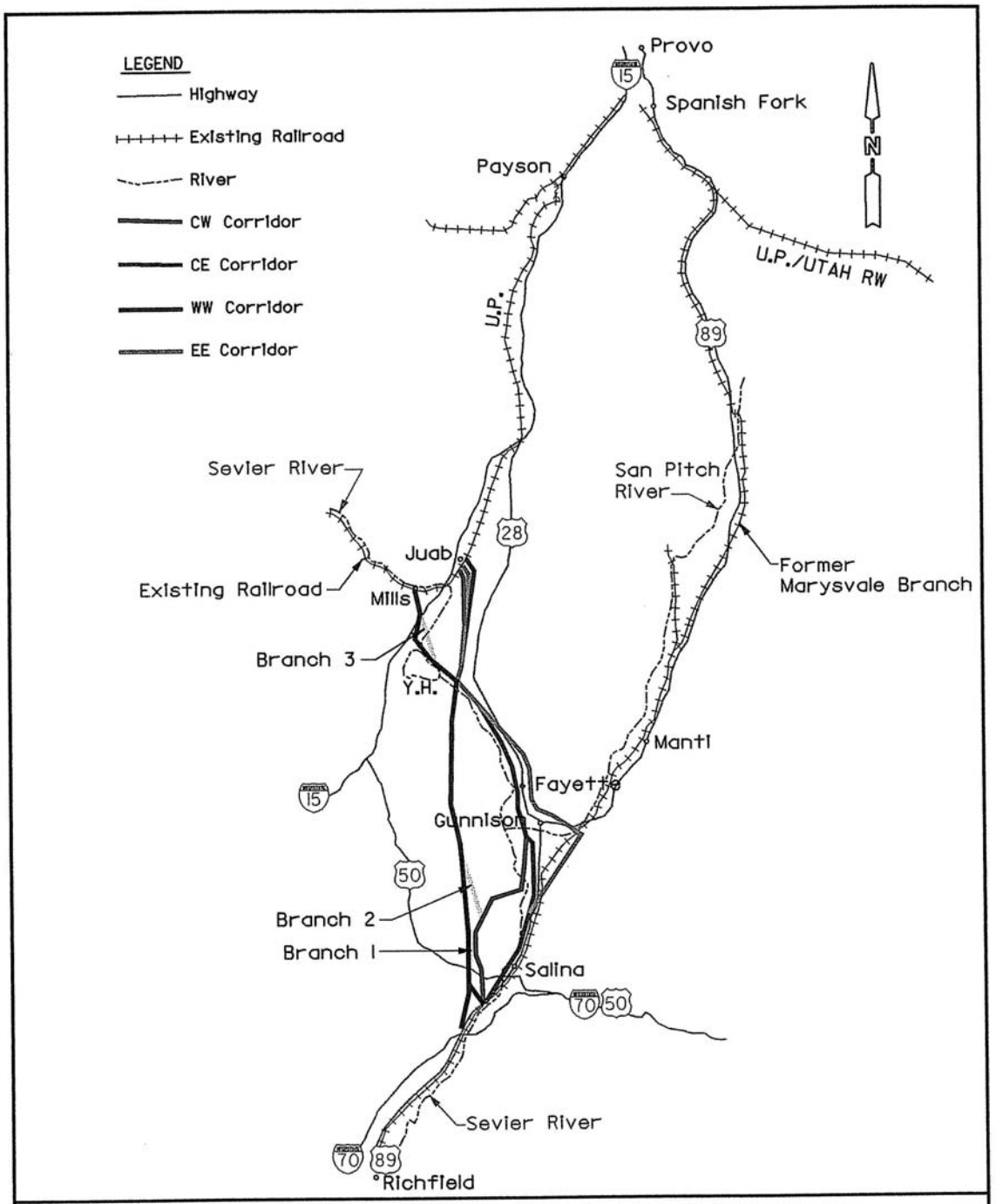


Figure 2
Central Utah Railroad Corridor Options

The following four corridors were identified early on in the review process:

1. **WW**, most westerly corridor, ends at the proposed Sigurd coal handling facility.
2. **CW,** one of the central corridors, runs along the western side of the valley to the proposed Salina coal handling facility.
3. **CE,** one of the central corridors, runs along the eastern side of the valley to the proposed Salina coal handling facility.
4. **EE**, the most easterly corridor, ends at the proposed Salina coal handling facility.

The beginning point connects to the existing UPRR at either Mills or Juab. Additions to these primary corridors, south of YH, included two crossovers (Branches 1 and 2) between WW and CW and one parallel line referred to as Branch 3 off WW near Mills. Branch 1 allows WW to move over onto the CW corridor and stop at the Salina coal handling facility. Branch 2 allows this same operation, only at a point further south, and it also allows corridor CW to move over onto WW and stop at the Sigurd coal handling facility. Two other coal handling facilities were evaluated, one on the west side of the valley just north of highway 50 and a second in the central valley area north of Salina. Both of these locations were eventually eliminated because they did not meet several of the key goals of the study.

Since all the corridors converged at a common point just north of Fayette, it was decided to divide the study area at this common point, which is shown on figures and maps as Yuba Hill (YH). This created two groups, hereafter referred to as the North Corridor and South Corridor Groups.

As part of the corridor analysis we developed the following rail design and operations criteria. We began the study choosing maximum grades of 0.8% northbound and 1.5% southbound with a maximum curvature of 3 degrees. These limits were used in the 1982 D&RGW study and seemed appropriate. Late in the study process, we received the actual grade and alignment charts from the UPRR, and these charts indicated that the maximum southbound grade should be reduced from 1.5% to 1.0% to match the ruling grades on the UPRR's Sharp Subdivision (Provo – Lynndyl). This allows the same sized trains to run between Provo and the Central Utah Rail.

An evaluation or Selection Matrix (see Appendix B) was prepared to compare each of these corridors for engineering. The evaluation considered construction costs, ROW, environmental, operations, and the public's perceived perception. Due to the division at Yuba Hill, each group was compared separately, which. initially resulted in a total of between 13 and 18 corridors being evaluated.

From the screening process, RTAC and the Project Team selected seven corridors for further evaluation—two in the North Corridor Group (CW and WW/Br. 3) and five in the South Corridor Group (for details, refer to Figure 2 and the Appendix A):

- Northern Primary Routes:
  1. 1A (Mills to YH via Br3/WW)
  2. (Juab toYH via CW)
- Southern Primary Routes:
  3. 1-1 (YH to Sigurd via WW/WW1)
  4. 2 (YH to Salina via CW)
  5. 4 (YH to Salina via EE)
- Southern Alternate Routes:
  6. 1A-3(YH to Salina via WW/Br2/CW)
  7. 2A-1 (YH to Sigurd via CW/Br1/WW1)

1.3.2 Construction Estimate

The Inroads program was used to calculate the lengths of rail, earthwork quantities, and other linear quantities to feed into the each of the corridor construction estimates (see the Construction Estimates in Appendix C). The following items were included in the Construction Estimate for each of the seven corridors:

- ROW costs
- Clearing & Grubbing
- Earthwork & Borrow
- Drainage
- Revegetation
- Fencing
- Bridges
- Grade Separations
- Track Works
- Road Crossings
- Environmental Mitigation
- Engineering/Construction Management/Mobilization at 15%
- Contingency Cost at 20%

Costs were then assigned to each of the construction line items and the totals calculated. The cost for each line item was developed from past history on similar heavy civil projects. We included input from both the Washington rail division and our heavy civil group. Land costs were provided by the SCAOG. The Environmental Mitigation cost was developed by BIO-WEST. As a rule-of-thumb, a single track is estimated to cost between $1,000,000 and $2,000,000 per mile. The variables that influence this estimate are the location, terrain and geology, available materials and labor, and the market.

The Engineering/Construction Management/Mobilization percent of 15% of construction is derived based on:

- Engineering = 3.5% to 7.0%
- Construction Management = 1.5% - 3.5%
- Mobilization = 6% to 10%

The Contingency factor varies with the reliability of the Construction Estimate. Therefore, the more detailed the design and quantity take-off. the better the construction estimate and ensuing economic analysis. This number usually varies between 6% for final design to more than 30% for a feasibility level design. Since we used the Inroads modeling software to calculate the earthwork and rail lengths, we used an estimated Contingency factor of 20%. Contingency is included to cover items that are left out of a design and construction estimate. For instance, we used 3D-Quad Maps to develop our Inroads models, and these normally have inaccurate contours that will affect the final earthwork volumes. We modified the earthwork quantities by incorporating our first-hand knowledge of the area and information as indicated from aerial mapping.

1.3.3 Corridor Advantages and Disadvantages

In addition to the corridors included in the Selection Matrix, an additional alternative to Corridor #2 around the east side of Fayette (coinciding with a short portion of #4) is briefly examined below, following the discussion of corridor advantages and disadvantages.

In the South Group (south of Yuba Hill) the location of the Coal Transfer Terminal directly influences the termination point for each corridor. RTAC originally proposed two sites, referred to as the Salina Industrial Park and North Sigurd. During the study, the central valley area and west Salina area location were considered but were subsequently dropped due to the required purchase of existing prime farmland and/or the impact of truck traffic on communities.

This section summarizes the key advantages and disadvantages associated with each corridor. As mentioned previously, they are organized into two groups—North Corridor and South Corridor, with Yuba Hill (Y.H.) being the dividing point. Regarding the five South Corridors, the location of the selected coal-handling terminal, Salina or North Sigurd, will influence the corridor selection. At this point in the study we are assuming both are acceptable and on equal terms. The summary begins with the advantages and disadvantages for the two North Corridors from the connection at the existing UPRR to YH, followed by the advantages and disadvantages of the five South Corridors from the YH to one of the coal handling facilities.

1.3.3.1 North Corridor – 1A (Mills to YH via Br3/WW

Advantages

- Engineering:
  - Potentially better subgrade conditions
  - 1.3 miles shorter than North Corridor #2; total length = **11.4 miles**
  - Less rise than North Corridor #2 for loads going to IPP and Southwest
- Construction Cost - **$16.04 million**
  - Ranked 1st, $1.3 million less than North Corridor #2
- Right-of-Way
  - **Ranked 1st** in least impact to irrigated farmlands
  - Greater use of public lands
- Environmental
  - **Ranked 1st**, $1.6 million less than North Corridor 2
  - Less wetland traversed
  - **Ranked 1st** with less prime, unique, important farmlands affected than North Corridor #2
- Operations
  - 8 miles shorter for shipments to IPP and Las Vegas than via Juab.
- Public Perception

Disadvantages:

- Engineering
  - One grade separation that will interrupt traffic on I-15
- Construction Costs
  - Some potential cost due to impact on existing residence
- Right-of-Way - none identified
- Environmental
  - Construction, including interchange yard and wye, will impact the community of Mills
  - Close proximity to one residence.
- Operations
  - Requires Provo-destined trains to traverse short 1.09% grade east of Mills.
  - 70 feet greater rise against loads going to Provo than North Corridor 2

- Public Perception

1.3.3.2 North Corridor - 2 (Juab to YH via CW)

Advantages:

- Engineering
  - 300,000 cubic yards less than North Corridor 1A
- Construction Costs
  - One less grade separation than North Corridor 1A
- Right-of-Way
- Environmental
  - No impact on Mills community
  - Less grazing conflicts
  - Less general wildlife habitat
- Operations
  - 4 miles less to Provo for west, north, and east traffic than via Mills
  - Better positioned to existing UP sidings for train meets than North Corridor 1A
- Public Perception

Disadvantages:

- Engineering-
  - 1.3 miles longer than North Corridor #1A
  - Awkward intersection between SR 128 and the Wye connection to UP main line at Juab and may require relocation of short portion of highway to improve intersection angle with new tracks
- Construction Costs-**$17.34 Million**
  - $1.3 million more than North Corridor 1A
- Right-of-Way-
  - 24 acres of less public land affected vs. North Corridor #1A
  - **Ranked 2nd** or last on impact to irrigated farmlands; 48 acres versus 10 for North Corridor 1A.
- Environmental
  - **Ranked last** in mitigation cost at $1.76 million versus $0.12 million for North Corridor #1A
  - More private farmlands impacted.
  - Cross more areas with high groundwater and impact more wetlands
  - Some conflict with big game movement
- Operations
  - 8 miles longer for shipments to IPP and southwest
- Public Perception

1.3.3.3 South Corridor - 1-1(YH to N. Sigurd via WW/WW1)

Advantages

- Engineering
  - Lowest changes in rise & fall
  - 1 mile shorter than corridor 2A-1
- Construction Costs
- Right-of-Way
  - **Ranked 1st** in the least impact to irrigated farmlands, 112.5 acres

- Greater use of public lands

- Environmental
  - **Ranked 1st** with lowest estimated mitigation costs
  - **Ranked 1st** in the least impact to prime unique farmlands, 46 acres
  - Least impact to wetlands
  - Least impacts to Sevier River wildlife habitat
  - Least potential impact to archaeological sites
  - Least intrusive to existing valley infrastructure with the exception of impacts to the Town of Aurora
- Operations
  - Has the least rise against north bound loads (lowest fuel consumption)
  - Provides the furthest reach south for any further rail extension towards Sigurd and beyond
- Public Perception

Disadvantages

- Engineering
  - Greater problems from side hill drainage runoff
  - **4th largest** amount of earthwork at 3.66 million cubic yards
  - **4th longest** and is 3.3 miles longer than #1A-3
  - High bridge over Yuba Reservoir
- Construction Costs- **$47.78 million**
  - **Ranked 4th** out of the 5 Southern corridors ($3.04 million more than Corridor #2)
  - Greater cost to Redmond Minerals to construct loading track than corridor 2A-1
- Right-of-Way - none identified
- Environmental
  - Impacts to the Town of Aurora including its water system
  - Close proximity to Aurora for more issues with noise, air quality, and community park
  - Impacts to big game winter habitat and possible movement patterns
- Operations
  - Sitting of an industrial park may need to be south of Aurora on private farmland (with the corridor being on the west valley side hill north of town, it appears more difficult to place a rail/truck transfer north of town)
  - If future connection made, rise for northbound loads from the south is the most adverse
- Public Perception

1.3.3.4 South Corridor - 2 (YH to Salina via CW)

Advantages

- Engineering
  - **2nd longest** (0.6 miles longer than #1A-3)
  - Smallest amount of earthwork at 2.7 million cubic yards
  - **2nd** in length of bridges
  - Has two optional entrances to Salina Industrial Park
- Construction Costs - **$44.73 million**
  - **Ranked 1st** as the least expensive, $44.7 million
- Right-of-Way
- Environmental

- Operations
  - Moderate change in rise & fall
  - Directly adjoins Redmond Minerals, Hales Sand & Gravel, and Gunnison's future Industrial Park
- Public Perception

Disadvantages

- Engineering
  - Intersects Gunnison's water system
- Construction Costs
- Right-of-Way
  - Impacts to the Town of Fayette
  - Impacts farms & homes southwest of Redmond
  - **Ranked 3rd** for impacts to irrigated farmlands, 143 acres
- Environmental
  - **Ranked 5th or last** in mitigation costs ($2.84 Million more than #1-1)
  - Potential impact to Town of Gunnison's Water System
  - **Tied for last** with Corridor 4 for impacts to prime, unique farmlands, 179 acres
  - Impacts to wetlands
  - Sevier River ecosystem impacts
  - High potential for impact to archaeological sites associated with Sevier River floodplain
- Operations
  - Average change in rise and fall
- Public Perception

1.3.3.5 South Corridor - 4 (YH to Salina via EE)

Advantages

- Engineering
  - Directly serves Gunnison industries
- Construction Costs
- Right-of-Way
  - **Ranked 2nd** for impacts to irrigated farmland, 116.5 acres
- Environmental
  - Less intrusive to the Town of Fayette than 2 and 2A-1
  - Less wetland impacts than 2 and 2A-1
  - Less impacts to Sevier River ecosystem than 2 and 2A-1
  - Less potential for archaeological site conflicts
- Operations
- Public Perception

Disadvantages

- Engineering
  - **3rd longest** (2 miles longer than #1A-3)
  - **5th in volume of earthwork** at 4.1 million cubic yards
  - 3rd in length of bridges
- Construction Costs- **$51.41 million**

- **Ranked 5th or last** ($6.7 Million more than corridor #2)

- Right-of-Way
- Environmental
  - **Ranked 3rd** in mitigation costs ($1.5 Million more than #1-1)
  - **Ranked 5th or last** for having the largest impact to prime unique farmlands, 180 acres
  - Close proximity to the town of Salina for issues with noise and air quality
- Operations
  - **Ranked 5th or last** with the greatest rise & fall. Continuous rise against load from Salina to northwest of Gunnison
- Public Perception

1.3.3.6 South Alternative Corridor - 1A-3 (YH to Salina via WW/Br2/CW)

Advantages

- Engineering
  - **Shortest length** for South Corridor options, 30.0 miles
  - Has two optional entrances to the Salina Industrial Park
- Construction Costs- **$45.43 million**
  - **Ranked 2nd** ($0.70 million more than corridor 2)
- Right-of-Way
  - Lower use of private lands
- Environmental
  - **Ranked 2nd** on impacts to prime unique farmlands, 113 acres
  - **Ranked 2nd** on impacts to wetlands
  - **Ranked 2nd** on impacts to important wildlife habitat associated with Sevier River and wetland complexes
  - **Ranked 2nd** on potential impacts to archaeological sites
  - **Ranked 2nd** in mitigation costs (Only $0.28 Million more than #1-1)
- Operations
  - Moderate change in rise/fall
  - Directly adjoins Redmond Minerals and Hales Sand & Gravel
  - Suitable location for future support yard
- Public Perception

Disadvantages

- Engineering
  - 3rd largest volume of earthwork at 3.28 million cubic yards
  - **4th longest amount of bridges** required (requires high bridge over Yuba Reservoir)
- Construction Costs
  - **Ranked 2nd** ($0.7 Million more than corridor #2)
- Right-of-Way
  - Impacts farms and homes southwest of Redmond
  - **Ranked 4th** in impacts to irrigated farmlands, 151.2 acres
- Environmental
  - Impacts to big game winter range and movement corridors
  - Fugitive dust in Salina area from load-out facility
  - **Ranked 2nd** in mitigation costs

- Operations
  - Greatest rise and fall than corridors 2, 1-1, and 2A-1
- Public Perception

1.3.3.7 South Alternate Corridor - 2A-1 (YH to N. Sigurd via CW/Br1/WW1)

Advantages

- Engineering
  - Serves the N. Sigurd Coal handling facility
  - **2nd in volume of earthwork** at 2.79 million cubic yards
  - **1st in the length of bridges required** ($0.89 million less than corridor 1-1)
- Construction Costs
  - Less cost to Redmond Minerals for constructing a loading track
- Right-of-Way
- Environmental
  - Only one crossing of the Sevier River
- Operations
  - Provides the furthest reach south for any future rail extensions.
  - Directly adjoins Redmond Minerals, Hales Sand & Gravel, and the future Gunnison Industrial Park
- Public Perception

Disadvantages

- Engineering
  - Greater problems from side hill drainage runoff.
  - **Ranked 4th as the longest** (4.3 miles longer than #1A-3) although it does extend closer to Sigurd
- Construction Costs - **$46.89 million**
  - Higher initial construction cost.
  - **Ranked 3rd** ($2.1 Million more than corridor #2)
  - 2nd in volume of earthwork
- Right-of-Way
  - **Ranked 5th or Last** for impacts to irrigated farmlands, 153 acres
- Environmental
  - **Ranked 4th** ($2.62 Million more than #1-1)
  - **Ranked 3rd** in impacts to prime, unique farmlands, 136 acres
  - Impacts to the Town of Aurora including its water system
  - Close proximity to Aurora creates issues with noise and air quality
  - Potential impact to town of Gunnison's water system
- Operations
  - Siting for truck and rail transfer may need to be south of Aurora on private farmland (with the corridor being on the west valley side hill north of town, it appears more difficult to place this north of town).
  - If future connection made, rise for northbound loads from the south is the most adverse
- Public Perception

1.3.3.8 South Corridor 2 Alternate. (Around Fayette)

This alternative is only to be compared with South Corridors 2 and 2A-1. This alternate is estimated to be $316,000 more than estimates for South Corridor 2 and 2A-1. This cost is derived from $200,000 more for grading and drainage; a savings of $866,000 for the estimated environmental mitigation; a cost of $1,100,000 for two additional grade separations; a $200,000 savings from not requiring the protective berm around the west side of Fayette; and an additional 35% of this total for additional items not anticipated.

1.4 Future Extension South

Several businesses located in the Sigurd area, including the new proposed NEVCO power plant, lie several miles short of where the new railroad will end. Several of these businesses intend to use the proposed new line by using a new truck/rail transfer facility at the end of the corridor. However, if the line were extended to provide them with direct rail service, the reduction in handling costs would likely increase their ability to ship greater volumes by rail.

Another factor that has placed greater emphasis on use of coal for electric generation is the recent California electrical power shortage. President Bush has called for the greater use of coal as a linchpin towards improving our national energy self-reliance. This has created renewed interest towards developing the substantial coal deposits located in the Kaparowits Plateau. Further extension beyond Sigurd following the Sevier River and its East Fork southward through Piute County towards Kingston and Antimony would be comparatively straightforward.

All of the corridors evaluated can be extended south from either Salina or N. Sigurd. Those terminating at Salina would follow the former D&RGW grade, which is largely unchanged since abandonment. Those serving the N. Sigurd loadout require a new 3-mile connection over private farmland between a point just south of Aurora (2 miles north of the loadout) to just north of the existing I-70 overpass where the abandoned D&RGW line passed beneath the Interstate. The map in Appendix A depicts these possible connections as dashed lines.

1.5 Recommended Corridor(s) & Coal Handling Facilities

The North Corridors are ranked in the following order of preference:

1. 1A
2. 2

We slightly favor North Corridor 1A through Mills over North Corridor 2 through Juab due to its lower construction cost and shorter train haul distance for southwestern business which includes IPP, SUFCO's largest customer. Currently, the projected traffic is split 2/3rds southwest with the remaining 1/3rd traveling north via Provo. Should NEVCO's proposed power plant be built at Sigurd, as discussed below, this traffic ratio could easily change towards a more balanced percentage. Both corridors are feasible and, due to other considerations previously discussed, SCAOG may decide in favor of North Corridor 2. In our view, North Corridor 2 is the more flexible alternative. Before a final decision is reached, these two options should also be discussed with UPRR management to determine their preferences and requirments.

The South Corridors are ranked in the following order of preference:

1. 1A-3
2. 2
3. 1-1
4. 2A-1
5. 4

In the South Corridor Group, we believe that WW and CW are comparatively equal north of Redmond Minerals. In our cost estimate we have included a barrier wall along the west side of Fayette to help ameliorate some of the concerns the town has expressed. If the CW corridor (South Corridor 2) were looped around the east side of Fayette as discussed earlier, then possibly the public's concerns would be alleviated. This is an issue the SCAOG may wish to revisit as the design and public involvement process proceeds.

For now, however, we recommend 1A-3 (WW/Br2/CW) over the less expense South Corridor 2 due to Fayette's concerns and the substantial environmental mitigation estimated using South Corridor 2 (CW). However, this will not be without probable higher maintenance costs due to the steep slope conditions of the Valley Mountains and the related ditching expense and flash flooding damage that may occur whenever infrequent heavy storms strike the area. Length (and cost) of the bridge over Yuba Lake also may be able to be shortened or lengthened, depending on when further design efforts will more accurately determine flow requirements.
Also in the South Corridor Group, we favor use of the Salina Industrial Park for coal transfer over the North Sigurd Terminal due to the considerations:

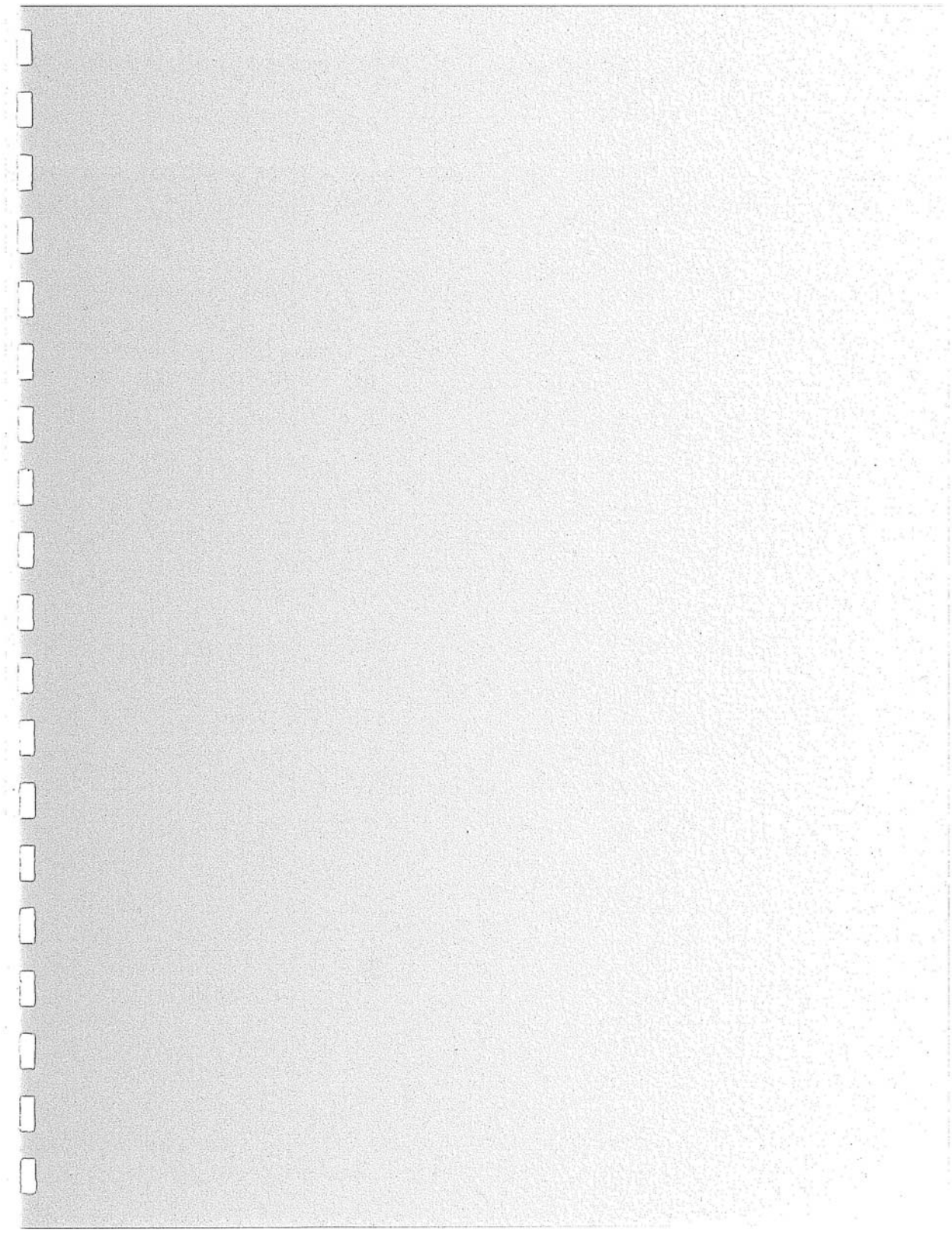
Advantage of Salina Industrial Park over North Sigurd for Coal Handling Facility:

- The community is acclimated to coal handling activity
- Park zoned and designated for industrial development
- Area geographically separate from residential development by topography
- Shorter haul for coal trucks and existing truck operating facilities
- SUFCO currently owns property for terminal
- Easier and less expensive connection to the old D&RGW grade for future extension south (this would be an advantage to Western Clay, which could gain direct service with this future connection whereas the N. Sigurd location would bypass its plant)
- Salina was former D&RGW railroad terminal prior to abandonment
- Availability of support services such as motels and restaurants for UP train crew use

Advantages of North Sigurd over Salina Industrial Park for Coal Handling Facility:

- Less expensive to construct loop and connecting track
- Less expensive highway connection needed from existing paved county road
- Interstate interchange to be used is less congested than at South Salina
- If the railroad should be extended further south to other businesses, such as U.S. Gypsum and the proposed NEVCO power plant at Sigurd, the distance required to build the connection is several miles less than from Salina.

1 CORRIDOR ANALYSIS 1-1
1.1 Background and Historic Role of Railroads in the Central Utah Area 1-1
1.2 Existing Conditions 1-1
1.3 Corridor Options 1-3
1.3.1 Selection Process 1-3
1.3.2 Construction Estimate 1-6
1.3.3 Corridor Advantages and Disadvantages 1-6
1.3.3.1 North Corridor – 1A (Mills to YH via Br3/WW 1-7
1.3.3.2 North Corridor - 2 (Juab to YH via CW) 1-8
1.3.3.3 South Corridor - 1-1(YH to N. Sigurd via WW/WW1) 1-8
1.3.3.4 South Corridor - 2 (YH to Salina via CW) 1-9
1.3.3.5 South Corridor - 4 (YH to Salina via EE) 1-10
1.3.3.6 South Alternative Corridor - 1A-3 (YH to Salina via WW/Br2/CW) 1-11
1.3.3.7 South Alternate Corridor - 2A-1 (YH to N. Sigurd via CW/Br1/WW1) 1-12
1.3.3.8 South Corridor 2 Alternate. (Around Fayette) 1-13
1.4 Future Extension South 1-13
1.5 Recommended Corridor(s) & Coal Handling Facilities 1-13



2 ENVIRONMENTAL SCREENING

2.1 Overview

Washington's environmental partner, BIO-WEST (B/W), conducted the environmental screening for the feasibility analysis. The general environmental approach was to provide sufficient understanding of the potential environmental conflicts that could affect the feasibility of the various conceptual rail line corridors. Environmental feasibility was based on potential significant conflicts. These conflicts included specific resource impacts, regulatory requirements, and local land management directions. The team included the following factors in their evaluation:

- Parks and recreation areas
- Residential noise impacts
- Geologic hazards
- Surface Water crossings
- Floodplain encroachments
- Critical wildlife habitat
- Historic and archaeological resources
- Important and prime farmlands
- Air quality - fugitive dust
- Hazardous waste
- Shallow ground water/wells
- Wetland crossings
- Threatened/endangered species
- Paleontological resources

Key preliminary issues included:

- Possible effects to agriculture land uses including loss of land and fragmentation of farmed parcels
- Impact to extensive wetlands associated with Chicken Creek Reservoir and associated springs, and wetlands associated with Sevier River drainage upstream of Yuba Lake
- Residential quality of life concerns (noise/vibration and air quality) especially in vicinity of western Salinas, Fayette, Gunnison and other communities or developments
- Impacts to big game critical winter habitat on foothills of valley, and movement corridors to and from big game habitat
- Potential disturbance or impact to rare, threatened or endangered wildlife
- Potential adverse effects to historic buildings/farmsteads
- Potential adverse effects to archaeological sites

2.2 Agency Coordination

The team consulted with all pertinent federal and state agencies to inform them of the project and to determine environmental concerns, potential conflicts, and regulatory requirements, as well as to identify file sources or specific locations of important resource components. Native American coordination was also conducted through the preparation and distribution of a project information letter to six tribes with possible interest in the area.

Specific resource concerns, resource occurrence, and environmental concerns were discussed with the agencies, particularly the Utah Division of Wildlife Resources, U.S. Fish and Wildlife Service, and Natural Resources Conservation Service. Regulatory agencies contacted included the Army Corps of Engineers, U.S. Fish and Wildlife Service, Utah Division of Water Rights, and Utah State Historic Preservation Office. Agencies with special expertise included Natural Resources Conservation Service, Utah Geological Survey, the Utah Division of Wildlife Resources, Sevier County, and San Pete County. Land management agencies were also contacted and included the Bureau of Land Management and the Utah Division of Parks and Recreation. Special attention was given to Yuba Lake State Park. A list of all agencies contacted is provided Section 2.7.

2.3 File and Literature Review

B/W reviewed all appropriate agency file information and literature sources to obtain known information regarding specific resource locations and potential conflicts. Many of the resource files came from existing databases and GIS layers from the various resource agencies. The files and literature reviewed included the Utah Natural Heritage database, Utah Division of Wildlife Resources maps, U.S. Fish and Wildlife Service file information, State Historic Preservation Office files, FIRM Maps or County floodplain maps, Utah Division of Water Quality stream data, Utah Geologic Survey files, Utah CERCLIS and RCRA data files, and Utah State Extension Service Important Farmland maps. This information was used in conjunction with available mapping to develop a baseline of existing conditions within the study area, and provided a preliminary understanding of resource constraints during the initial generation of potential project corridors. No fatal flaws were identified by resource or regulatory agencies.

2.4 Project Corridor Reconnaissance

Team representatives conducted a field reconnaissance level evaluation of the three proposed corridors in June 2001. The reconnaissance verified the preliminary information identified during agency coordination and file searches. The field review also permitted identification of site specific areas of concern, an understanding of corridor routing and logistical constraints, and a comprehensive overview and understanding of the environmental and social context of the study area. On-site reconnaissance focused on the known or suspected environmental issues and the resource concerns of agencies. The reconnaissance permitted the team to understand and preliminarily identify potential historic sites and develop an understanding of the potential for archaeological sites. General wetland determinations were made with particular emphasis in the areas of Chicken Creek Reservoir, Yuba Lake, and the Sevier River floodplain upstream of Yuba Lake. The team reviewed potential threatened, endangered or sensitive species habitats, evaluated land use conflicts, and identified other potential constraints, including social conflicts. No fatal flaws were noted during the field reconnaissance, although substantial wetland conflicts and farmland conflicts were identified. Wildlife habitat conflicts and community impacts were also identified.

2.5 Evaluation Matrix

The environmental team developed the Environmental Section of the Evaluation Matrix (Appendix B). From the information gathered through agency coordination, file and literature review, field reconnaissance and map analyses, the team completed the evaluation matrices for each of 15 different corridor combinations (expanded from the original four corridors). The team created 21 line items which included impacts to important farmland such as potential fragmentation, noise and vibration, air quality, known hazardous waste locations, municipal wells, groundwater and stream crossings, wetlands, critical wildlife habitat, threatened and endangered species, and cultural resources. This information was organized into the referenced matrices provided in Appendix B. B/W also developed an estimated mitigation cost for each of the corridors that is included in the matrix and in the construction estimate costs provided in Appendix C.

Three separate evaluation matrices were developed. Each matrix compared the same issues or resource components by alternative corridor in different ways. The first evaluation compared alternative corridors by quantified impacts to resource components. It must be noted that this quantification is at a coarse level of review and cannot be construed as the definitive quantified impact evaluation. Conflicts were quantified based on the linear distance or the spatial (acres) conflicts with resources. The quantification was based on mapping the resource components in comparison with the corridor routes.

The second evaluation compared alternative corridors by relative severity of conflict with each resource component. Relative severity assessment is a qualitative approach to alternative corridor comparisons. Although the qualitative approach is subjective, it is based on professional experience and understanding of regulatory and resource sensitivities. Conflict severity was based on the intensity of the conflict and the context in which it occurs. This evaluation is congruent with the Council on Environmental Quality's Regulations for implementing the National Environmental Policy Act (40 CFR 1508.27). Five severity ratings were provided as described below.

- ***5 = Red Flag.*** The affected resource could be impacted to the extent it would jeopardize further viability or existence within the general area or beyond. No feasible mitigation strategies could resolve conflicts.
- ***4= Significant Conflict.*** The affected resource could be significantly impacted. Every opportunity must be taken to avoid impacts as feasible. Extensive mitigation measures to minimize impacts should be anticipated.
- ***3= Moderate to Substantial Conflict.*** The affected resource could be substantially impacted. Extensive avoidance and minimization of conflicts will need to be considered. Extensive mitigation may be required.
- ***2= Minor to Moderate Conflict.*** The affected resource could be moderately impacted. Such impacts will need to be minimized during further alternative analysis. Design considerations may be needed to alleviate conflicts.
- ***1= Limited to Minor Conflict.*** The resource could be affected, but impacts would likely be limited in quantity, intensity, and/or context. Some mitigation may be necessary to alleviate concerns.

The third matrix evaluation was based on the specific advantage a corridor route had for a specific resource component. The evaluation was based on Choosing By Advantage (CBA) methodology. The CBA advantage is that it removes subjective positioning from the decision matrix and makes the inherently subjective process of decision-making as objective as possible. The alternative evaluation is based, not on overall differences in alternatives (or positions), but on the importance and value of advantages of the various important characteristics of an alternative.

2.6 Summary of Evaluations

Based on the evaluation in the North, the three corridors that originate at Juab would likely incur substantially higher environmental conflicts than the two corridors terminating at Mills. This was primarily due to more extensive farming and wetlands around Chicken Creek and the Reservoir.

For the South Corridors, from Yuba Hill to Salina/N. Sigurd, the Matrices (see Appendix B) indicate the two corridors that traverse the west side of Yuba Lake (1-1 and 1A-3) require substantially less mitigation that the two (2 and 2A-1)that pass through the central part of the valley, immediately west of Fayette and Gunnison. The estimated mitigation cost for the 5th corridor (EE), which stays to the east, is between these two extremes. However, if 2 and 2A-1 are modified using the #2 alternate's routing around Fayette to the east, their respective costs are substantially reduced, comparable to #4's (EE) cost.

2.7 Agency Mailing List

The following agency mailing list was revised May 24, 2001.

Agency Mailing List

Federal Agencies

Jerry Goodwin, Manager
Bureau of Land Management
Richfield District
150 East 900 North
Richfield, Utah 84701
(435) 896-1500

Mr. Mike Schwinn, Utah Chief
U.S. Army Engineer District, Sacramento
Utah Regulatory Office
1403 South 600 West, Suite A
Bountiful, UT 84010
(801) 295-8380 ext 14

Laura Romin
U.S. Fish and Wildlife Service
Lincoln Plaza East
145 East 1300 South, Suite 404
Salt Lake City, UT 84115
(801) 524-5001 ext 133

Mr. Bill Broderson, State Soil Scientist
Natural Resources Conservation Service
P.O. Box 11350
125 South State Street
Salt Lake City, UT 84147

Mr. Vic Parslow
Natural Resources Conservation Service
340 North 600 East
Richfield, UT 84701
(435) 896-6441 ext 34

Native American Tribes

Betsy Chapoose
Ute Indian Tribe
Cultural Rights and Protection Dept.
P.O. Box 190
Ft. Duchesne, UT 84026

Cindy Charles
Koosharem Band, Southern Pauite Tribe
440 North Paiute Drive
Cedar City, UT 84720

Leigh Kuwanwisiwma
Hopi Cultural Preservation Office
P.O. Box 123
Kykotsmovi, AZ 86039-0123

Phil Pikyavit
Kanosh Bank, Southern Paiute Tribe
P.O. Box 101
Kanosh, UT 84637

Gail Rollo
Southern Paiute Tribe
440 North Paiute Drive
Cedar City, UT 84720

Lora Tom
Paiute Tribe of Utah
440 North Paiute Drive
Cedar City, UT 84720

State Agencies

Roger Foisy
Central Area Coordinator
Utah Division of Air Quality
288 North 1460 West
Salt Lake City, UT 84114
(435) 896-5451

Judy Watanabe
State Flood Plain Manager
Division of Comprehensive Emergency Mgmt.
State Office Bldg., Room 1110
P.O. Box 141710
Salt Lake City, UT 84114-1710

Roger Foisy
Central Area Coordinator
Utah Division of Water Quality
288 North 1460 West
Salt Lake City, UT 84114
(435) 896-5451

Doug Sakaguchi and Gary Ogborn
Resource Analysts
Utah Division of Wildlife Resources
Central Region
1115 North Main Street
Springville, UT 84663
(801) 489-5678

State Agencies, Continued

Stan Beckstrom, Resource Analyst
Utah Division of Wildlife Resources
Southern Region
P.O. Box 606
1470 North Airport Road
Cedar City, UT 84721-0606
(435) 865-6112

Tharold Green
Utah Division of Parks and Recreation
1636 West North Temple, Suite 116
Salt Lake City, UT 84116-3156

Pat Jerome
Yuba Lake State Park Manager
Utah Division of Parks and Recreation
1636 West North Temple, Suite 116
Salt Lake City, UT 84116-3156
(435) 758-2611

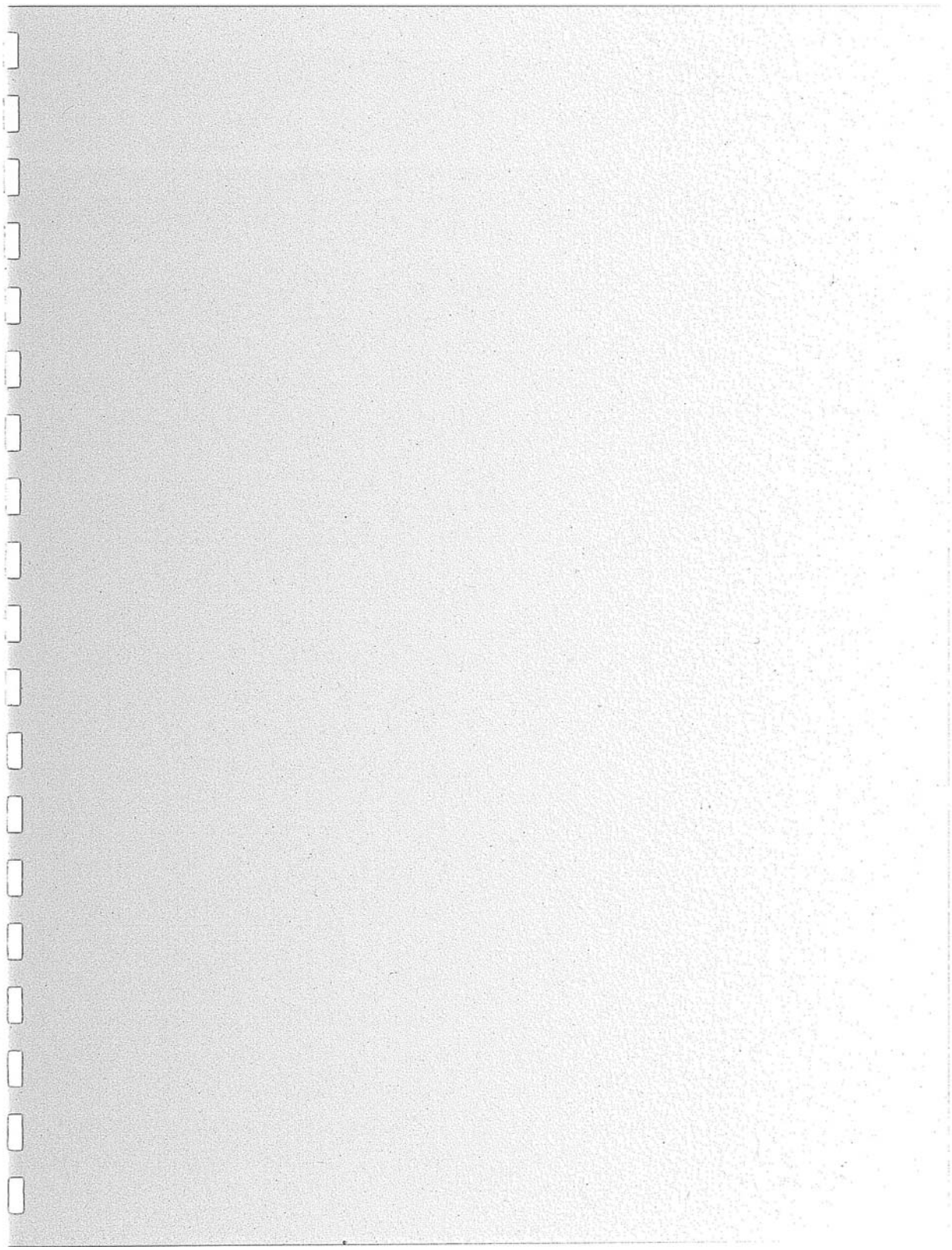
Jim Dykeman
Preservation Planner
Utah State Historic Preservation Office
300 Rio Grande
Salt Lake City, UT 84101-1182
(801) 533-3555

County/City Government

Dean Anderson
Sevier River Water Users Association
800 West 100 North
Delta, UT 84624
(435) 864-2494

Clyde Bunker
Sevier River Water Users Association
1670 North Jones Road
Sutherland, UT 84624
(435) 864-2575

Richard Waddingham, Attny
Lower Sevier Water Users
Waddinham & Peterson
362 W. Main Street
Delta, UT 84624-9205
(435) 864-2748



3 Market Analysis

The economic basis for the development of the proposed Central Utah Railway was predicated upon the potential freight that local businesses ship on the rail line. Within this sphere, there are two general categories of potential users:

- Shippers and receivers that are utilizing trucking between the Salina area and a point to transload their freight on the Union Pacific Railroad in the Juab/Nephi area.
- Shippers and receivers that are currently not utilizing rail, but with the rail line closer to their operations would be able to make some use of rail shipments.

During the week of May 7, 2001, 14 businesses located between the Gunnison and Richfield areas were interviewed to determine their likely use of the rail line. Prior to the interviews, a screening process was conducted to determine the nature of the commodities shipped or received to verify the likelihood that these commodities would have a reasonable probability to be shipped by rail.

The screening process is critical, because rail shipments that are economically attractive from a cost and service standpoint have certain characteristics. These include commodities that are generally shipped in large volumes, have a high density, and generally move as bulk shipments. This compares to packaged products that are lighter in weight and even heavy commodities that do not fit the distribution capabilities available by the rail network, which generally use trucking more effectively.

The results of the potential rail customer interviews and other research produced the following estimate of rail shipping volumes.

Projected Shipping Volume On Central Utah Railway

Potential shipper	Primary Commodity	Low Projection		High Projection	
		Originated (carloads)	Terminated (carloads)	Originated (carloads)	Terminated (carloads)
Canyon Fuels	Coal	38,000		38,000	
Holt Oil	Petroleum Products		125		200
Redmond Minerals	Nonmetallic Minerals	2,200		3,000	
Satterwhite Log Homes	Lumber Products		80		110
Wasatch Technology	Lumber Products		150		200
Western Clay	Nonmetallic Minerals	1,000		1,400	
US Gypsum	Wallboard	600		900	
GP Gypsum	Plaster	125		175	
Hale Sand & Gravel	Petroleum Products & Cement		130		190
	Total	**41,925**	**485**	**43,475**	**700**

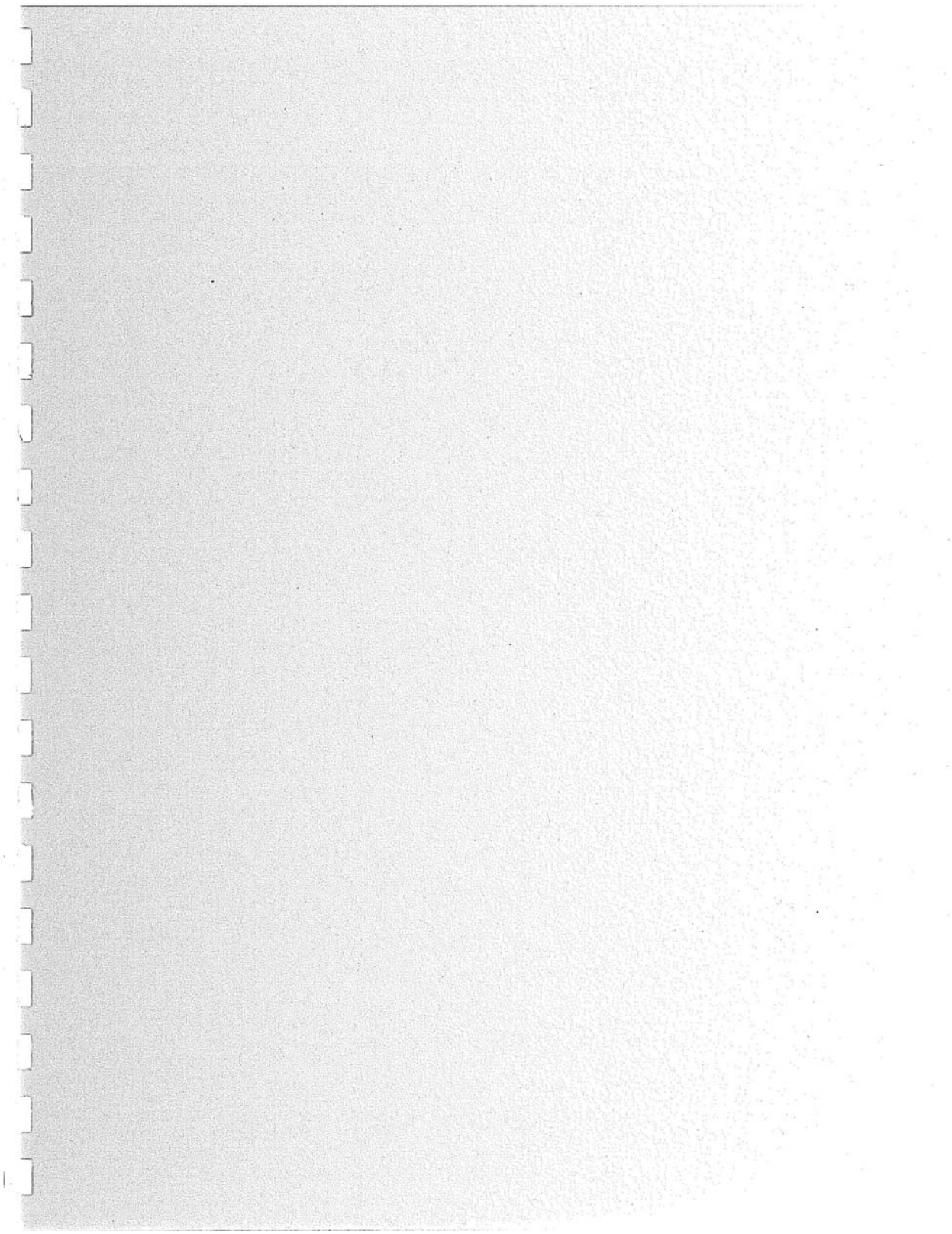
Clearly, the fundamental support for the Central Utah Railway is predicated on the coal from the SUFCO Mine and shipments primarily to utilities in Utah and Nevada. However, the opportunity for other businesses to use the railroad is not insignificant. These other businesses have the opportunity for new marketing opportunities, which are currently constrained to some degree by the trucking cost to reach a rail loading point. For example, a corridor that has a high rating among the various alternatives between the Union Pacific mainline and Salina runs relatively close to Redmond Minerals. This could allow Redmond to substantially reduce much of the trucking costs currently necessary to reach the Union Pacific.

On the other hand, the constraints of the corridor design will likely limit the shipping potential for US Gypsum as well as other businesses in the Sigurd area. Gypsum wallboard is an extremely compatible commodity to ship by rail due to its dense weight and the volume of product that can be placed on a railcar. As a result, if US Gypsum could load wallboard directly from its Sigurd production facility onto a railcar, even destinations as close as Salt Lake City would most likely be served by rail. However, likely configurations of the Central Utah Railway route would require trucking to the industrial park at the end of the rail line and then loading onto railcars. This incremental cost and product handling would likely offset much of the rail shipping advantage to closer points, such as Salt Lake City.

Several of the potential shippers interviewed are not included on the projected carload list. This is because the likelihood of shipments was too uncertain or too unlikely. For example, B&H Stone wants to find a market for their dolomite lime that is produced as a byproduct of the quarrying process. However, the delivered value of this lime is about $3.50 per ton due to its relatively low quality. After removing the cost of loading, the remaining value would not cover the transportation cost to even relatively nearby markets.

During the course of this investigation, two additional potential shippers of coal came into focus: the Emery Mine owned by Consol Energy and the proposed power plant near Sigurd. Consol announced reopening of Emery in early 2002, after being idle for a decade. However, given near-term demand projections for coal, this reopening appears to be motivated by the need to retain certain leases, not market demand. In both the case of Emery and the proposed power plant, the timing and shipping volumes, if any, are speculative and would carry a huge risk if part of the proposed railroad economics relied on this business materializing.

To summarize, the results of the marketing study indicate that the likely volume that would be handled on the railroad within a few years of startup would range from 42,410 to 44,175 carloads. Although the non-coal business could increase beyond these amounts, it is anticipated that the volume of coal shipped by Canyon Fuels from the SUFCO Mine will remain stable for 25 years. Additional coal business could be developed from the Emery Mine and proposed power plant; however, these possibilities are speculative at this time.



4 ECONOMIC ANALYSIS

4.1 Regional Economic Impact

To measure the regional economic impact of the proposed Central Utah Railway, an economic impact model was utilized. The selected model has been developed over many years by Regional Economic Models Incorporated (REMI) and is recognized throughout the country as one of the foremost tools to project the impact caused by economic changes.

By utilizing the REMI model, "What if ?" questions concerning the local economy can be projected. The REMI model has a complete history of the counties where the railroad will be built, extending back as far as 1969. The model was utilized to determine the ripple effect of added employment and increased sales that are directly associated with the addition of the rail line. However, because no railroads have been built in recent years, the model's ability to deal with a railroad project as well as it deals with a road building project is specifically unknown, but is assumed to be similar.

In the case of the proposed Central Utah Railway, employment changes are projected to take place in seven economic sectors: lumber; stone, clay and glass; petroleum products; mining; construction; railroad; and trucking. In addition, the railroad will have a continuing need for ballast, so sales from local quarries of nonmetallic minerals will continue to be required. These employment increases were obtained as part of the interviews conducted in May and described in Section 3.

The following employment increases were projected based on data provided by various potential users of the railroad. Projected increases or decreases apply to the year that the increase takes place and are presumed to continue throughout the 20 years of the modeling time period. For example, an increase of two employees in the lumber sector in 2006 and then an increase of three additional employees in that sector in 2007 totals five additional employee positions that have been created by 2008. Both a low and high projection was developed.

Low Employment Change Projection

Employment Sector	2004	2005	2006	2007	2008	2009	2010
Lumber			2	3	2	2	1
Stone, Clay & Glass			9	6	13	10	
Petroleum products			5				
Mining			5				
Construction	77		-77				
Railroad			18	1			
Trucking			-108				

High Employment Change Projection

Employment Sector	2004	2005	2006	2007	2008	2009	2010	2011
Lumber			5	3	6	6		
Stone, Clay & Glass			9	6	10	10	10	7
Petroleum products			5					
Mining			5					
Construction	77		-77					
Railroad			18	1				
Trucking			-108					

During construction of the railroad, up to 77 employees will be needed for the construction requirements. However, once the railroad is finished, projected to be in the year 2006, these jobs will no longer be required.

Although the construction project will produce a capital expenditure of over $60 million, with the exception of employment created in the local area, most of the remaining cost of the project will not directly influence the six-county area. This is because the materials needed for the project, with the exception of ballast and some fuel, will be acquired outside the area and will not specifically impact economic activity in the six-county area. The major exception to that is purchasing ballast in the local area that will be $600,000 during construction and run between $30,000 and $60,000 annually over the next 20 years.

The impact of the proposed Central Utah Railroad is based on the following economic variables:

- Employment
- Gross Regional Product
- Population
- Labor Force
- Other Factors

For example, based on the 1998 Bureau of Labor Statistics projection, the database used for the economic factors in the model, employment in the year 2001 is 19,843 people. This applies to Sevier and Sanpete Counties, the only two of the six counties that will have statistically significant impacts from the railroad based on the model. Employment is anticipated to increase to 20,459 in 2005; to 20,989 in 2010; to 21,437 in 2015; to 21,699 in 2020; and to 21,689 in 2025. The following table summarizes the key factors in the REMI model and is based on no significant change outside those extrapolated from the 1969 through 1998 years.

Selected Key Economic Indicators for Sevier and Sanpete Counties
REMI Model Base Case

Category	Year					
	2001	2005	2010	2015	2020	2025
Employment	19,843	20,459	20,989	21,437	21,699	21,689
Gross Regional Product	$796 million	$896 million	$998 million	$1,084 million	$1,158 million	$1,216 million
Personal Income	$690 million	$809 million	$985 million	$1,172 million	$1,398 million	$1,666 million
Real Disposable Personal Income	$625 million	$677 million	$742 million	$789 million	$840 million	$891 million
Population	42,404	44,665	46,690	48,114	48,637	48,635
Labor Force	18,318	19,513	20,199	20,464	20,551	20,749

A full range of variables is provided in Appendix D, Regional Economic Impact Model Detail.

Based on the changes, or impacts, projected as a result of the construction of the railroad and subsequent availability of rail service, the key challenge will be to overcome the loss of an estimated 108 trucking jobs from the reduction in the length of truck haul for coal to the rail loadout. In the case of the higher employment projection, both population and the workforce level, together with related economic indicators, overcame the trucking employment loss. However, under the lower employment projection, there is a small net loss of population and workforce beginning several years after the railroad is complete.

Low Projections

Selected Key Economic Indicators for Sevier and Sanpete Counties
Changes from REMI Model Base Case

Category	2004	2005	2006	2007	2008	2009	2010	2015	2020	2025
Employment	104	105	-32	-21	-3	14	14	62	-	-5
Gross Regional Product	$3.6 million	$3.7 million	$3.3 million	$4 million	$5.1 million	$6.1 million	$6.2 million	$6.3 million	$6.4 million	$6.7 million
Personal Income	$2.5 million	$2.9 million	-$.4 million	-$.3 million	$.1 million	$.7 million	$.7 million	$.4 million	-	-$.2 million
Real Disposable Personal Income	$1.6 million	$1.7 million	-$.5 million	-$.4 million	-$.2 million	$.1 million	-	-$.2 million	-$.5 million	-$.7 million
Population	22	53	40	14	-11	-8	-14	-50	-76	-94
Labor Force	18	33	19	5	-2	-3	-4	-16	-24	-31

High Projections

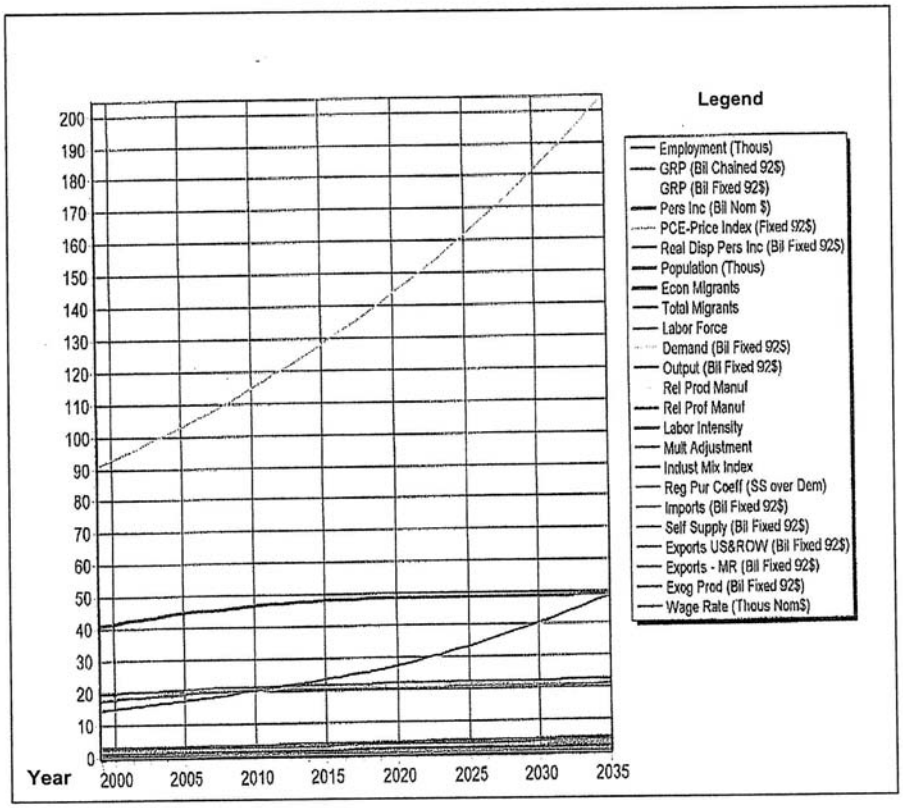
Selected Key Economic Indicators for Sevier and Sanpete Counties
Changes from REMI Model Base Case

Category	2004	2005	2006	2007	2008	2009	2010	2015	2020	2025
Employment	107	108	-20	-9	10	33	47	52	47	44
Gross Regional Product	$3.8 million	$3.9 million	$3.7 million	$4.5 million	$5.5 million	$6.7 million	$7.6 million	$8.4 million	$8.7 million	$9.2 million
Personal Income	$2.6 million	$3 million	-	-	$5.4 million	$6.7 million	$7.6 million	$8.4 million	$2.8 million	$3.1 million
Real Disposable Personal Income	$1.6 million	$1.8 million	-$.3 million	-$.2 million	-	$.4 million	$.7 million	$.9 million	$.9 million	$.8 million
Population	24	56	47	25	12	9	12	26	23	16
Labor Force	18	35	22	10	5	6	9	18	18	14

4.2 Base Case

The Regional Economic Impact Model indicates that most of the economic measures for Sevier and Sanpete Counties will remain relatively flat except for cost indices. Other exceptions to this are an increase in population from just over 40,000 to nearly 50,000 by the year 2015 and employment that is forecast to increase from 19,500 to nearly 22,000 by the second decade of the century. Appendix B contains detailed numbers.

Base Case

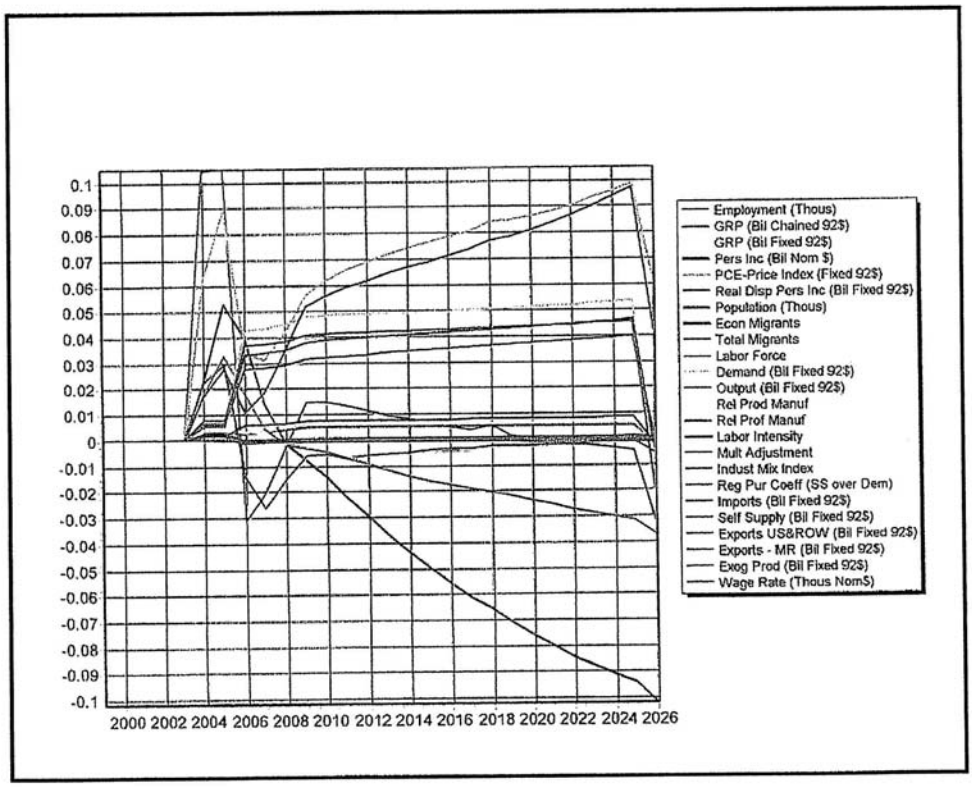


4.3 Central Utah Regional Simulation Low Projections

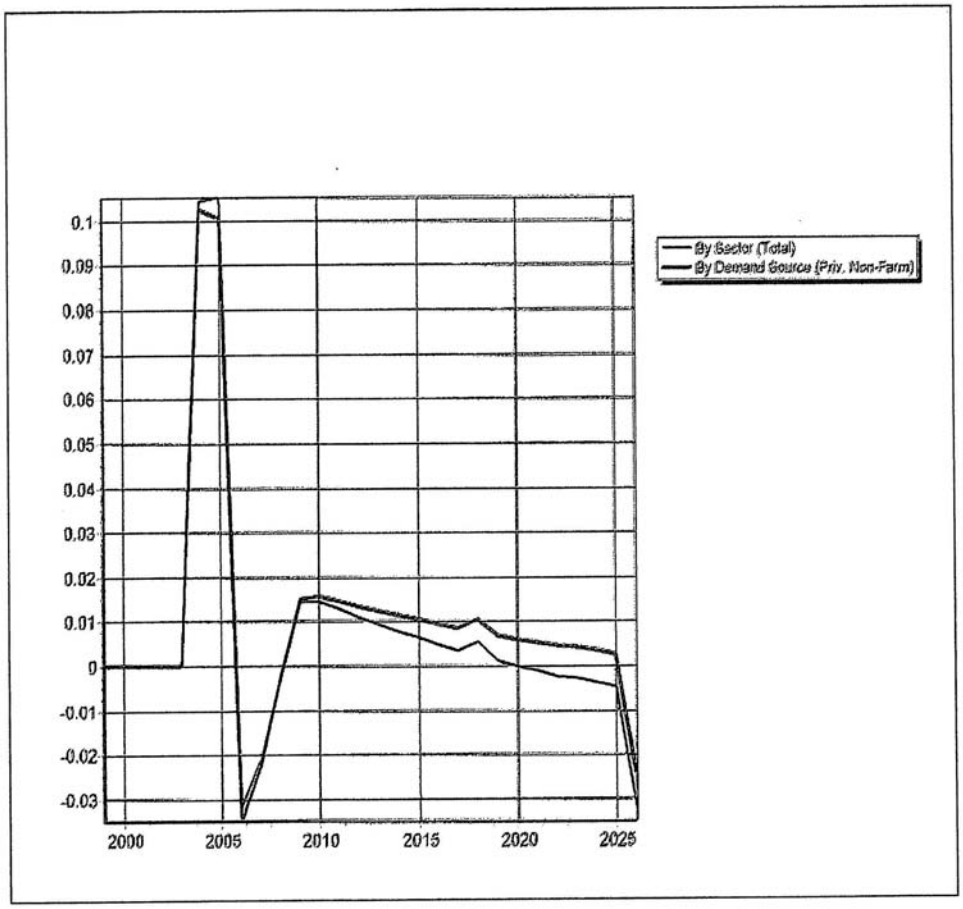
The next group of graphs show the changes from the regional control on the previous page. These are the impacts that have been projected to hit the region as a result of the railroad construction and subsequent operations.

The first two years, as railroad construction moves forward, have a substantial impact on population and labor force. After the railroad is complete, there is a drop, although most indicators continue to increase or at least level out after several years. Notably, both population and labor force continue to decline relative to the projected amount in these categories due to the loss of 108 coal trucking jobs, which is not offset by job additions in other sectors. The following graphs highlight several of the key economic factors to isolate them from the entire group so that the changes in these factors can be seen more easily.

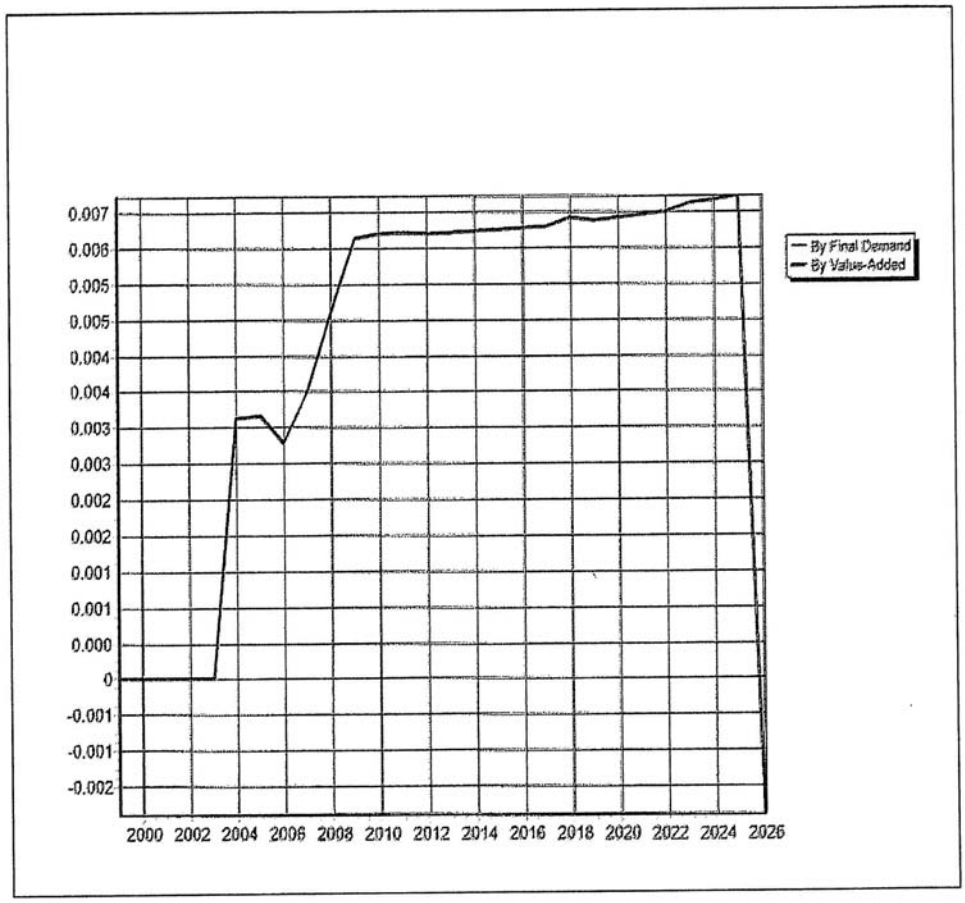
Regional Simulation Low Projection



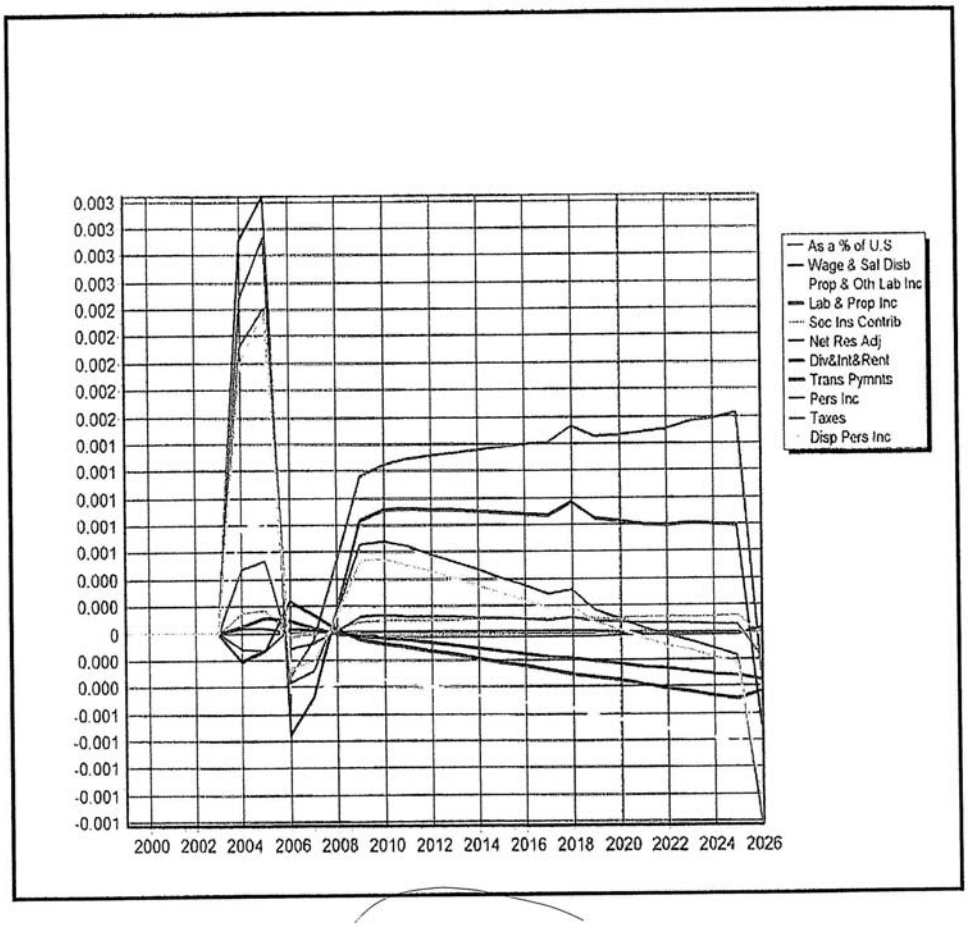
Regional Simulation Low Projection
Employment (Thousands)



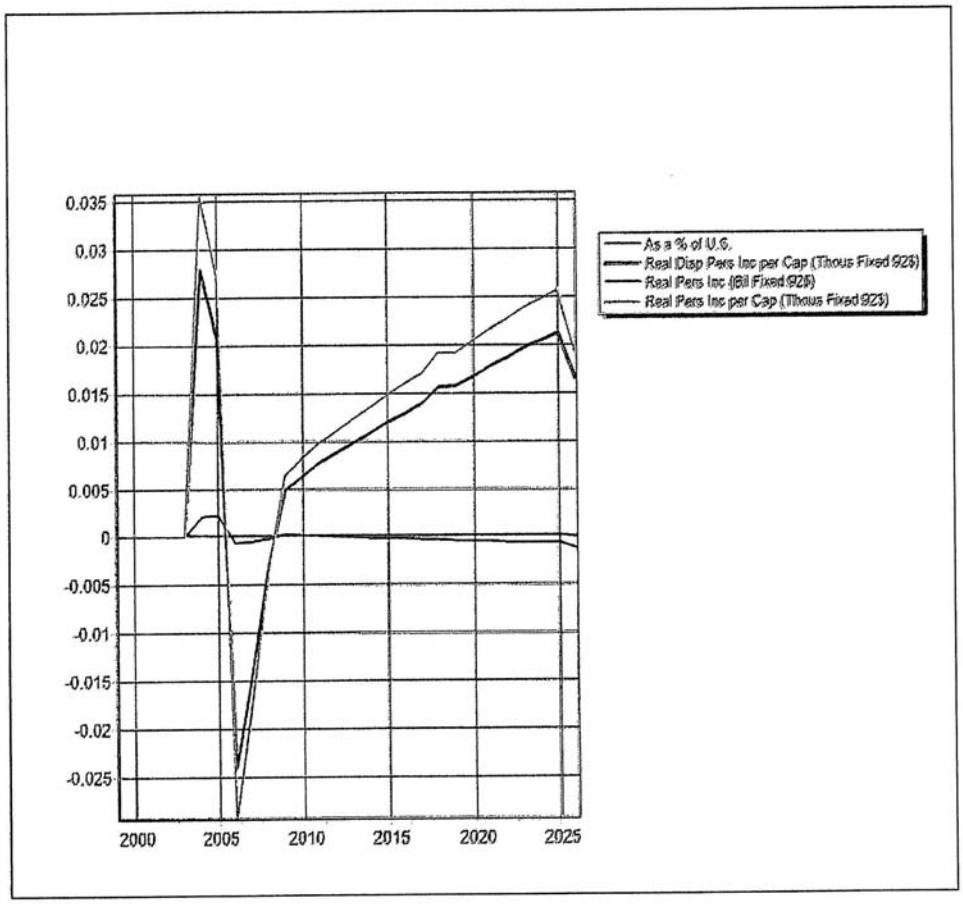
Regional Simulation Low Projection
Gross Regional Product (Billions - 1999 $)



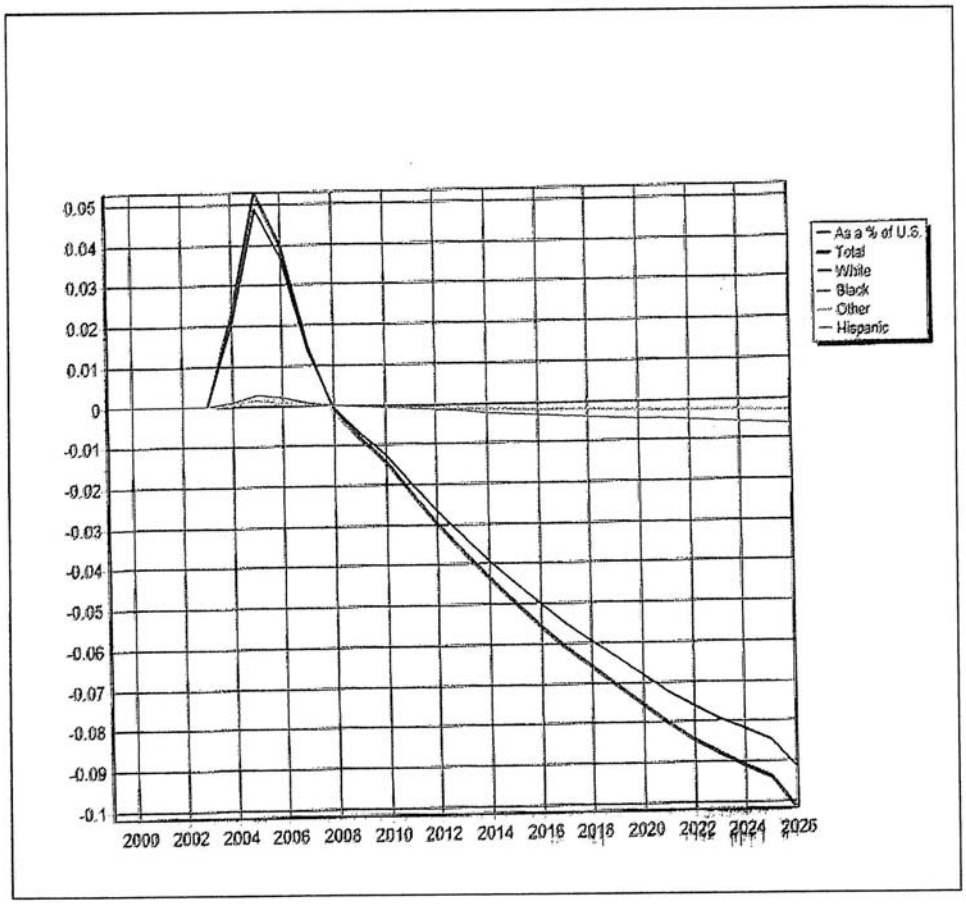
Regional Simulation Low Projection
Personal Income (Billions $)



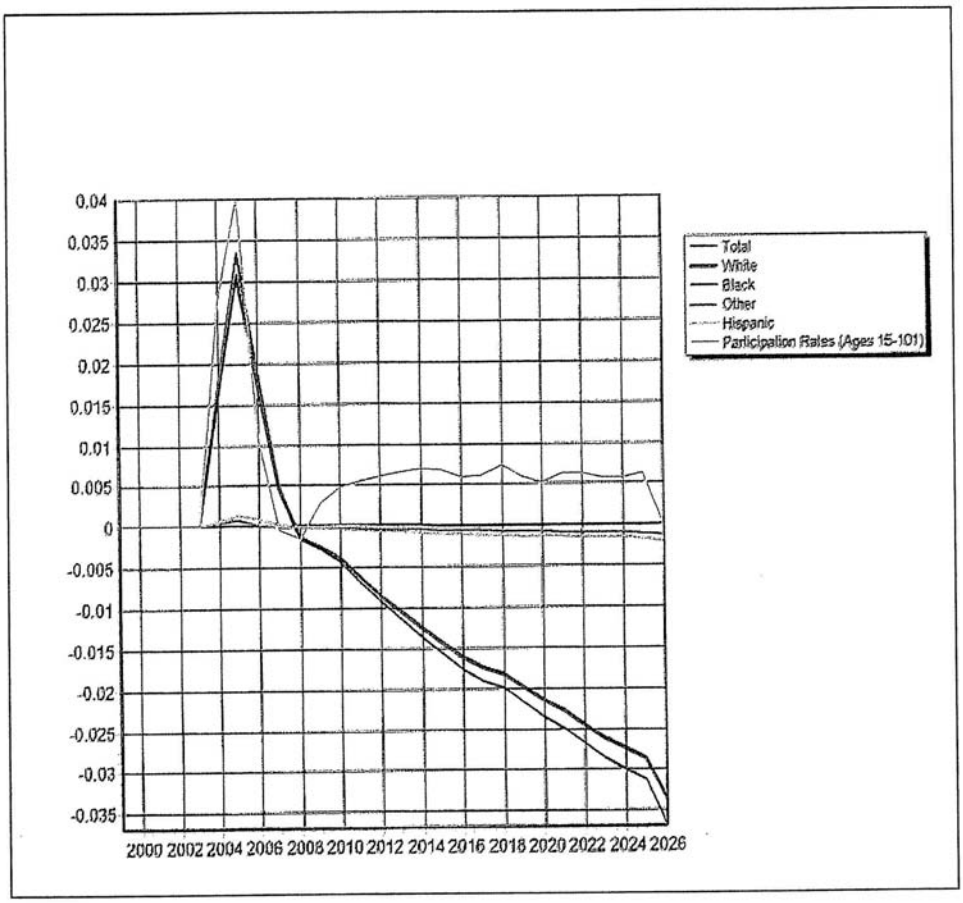
Regional Simulation Low Projection
Real Disposable Personal Income (Billions Fixed 1992 $)



Regional Simulation Low Projection
Population (Thousands)



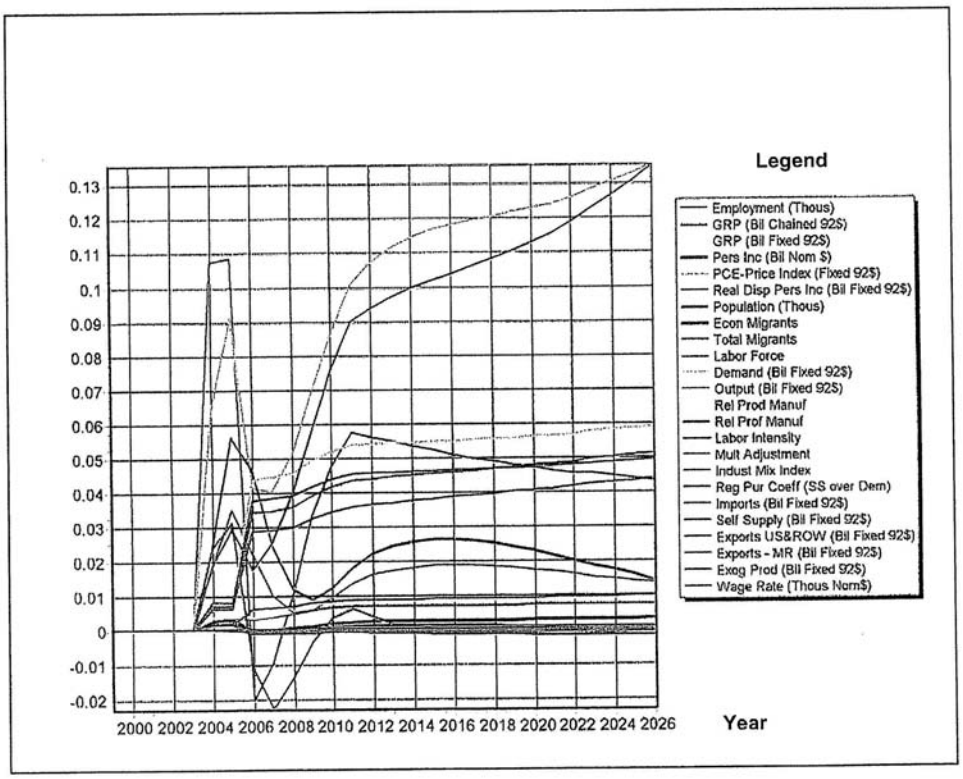
Regional Simulation Low Projection
Labor Force



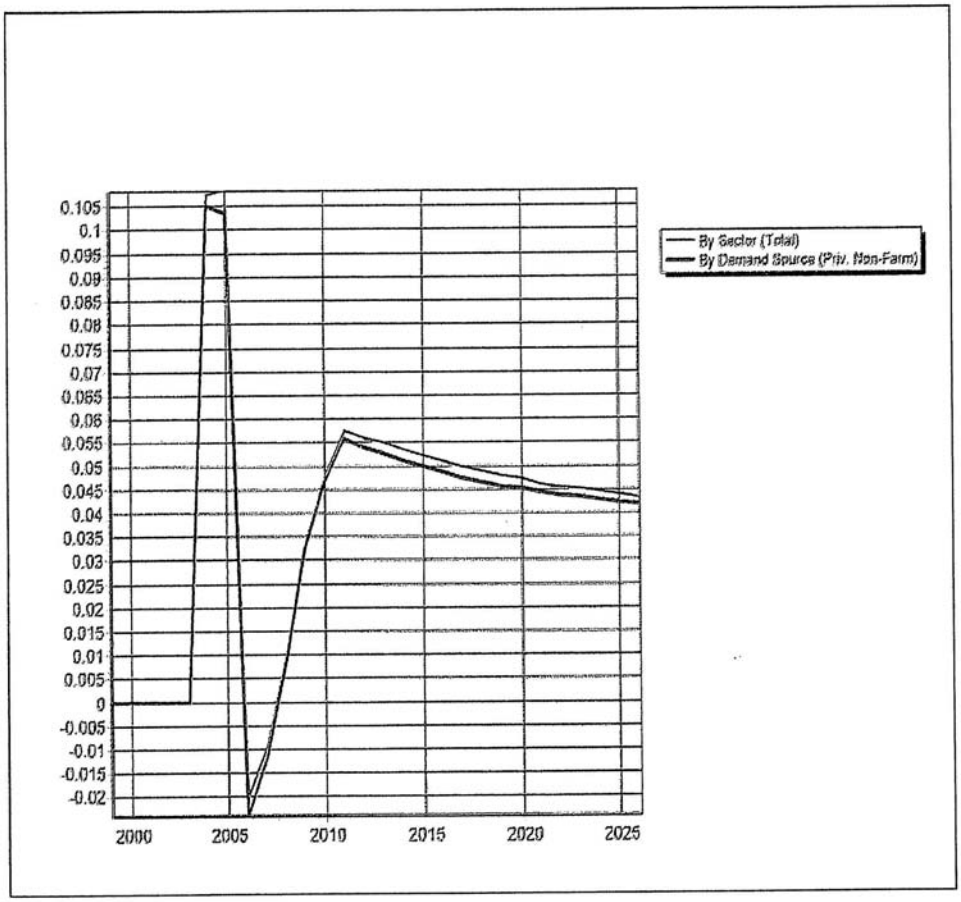
4.4 Central Utah Regional Simulation High Projections

The changes to the study area as a result of the proposed railroad under a high projection of new employment illustrates a much more bullish picture. Although the impacts during the two-year construction period remain about the same as with the Low projection, the major difference comes several years after construction is completed. In these cases, although there is typically a falloff in most key indicators for one to two years, the higher economic level overcomes the loss of the 108 trucking jobs. In fact, the labor force and population that are negatively impacted under the Low projection actually have a net gain after the first few years of losses when the construction is finished, although after 2016, there are modest declines in these categories.

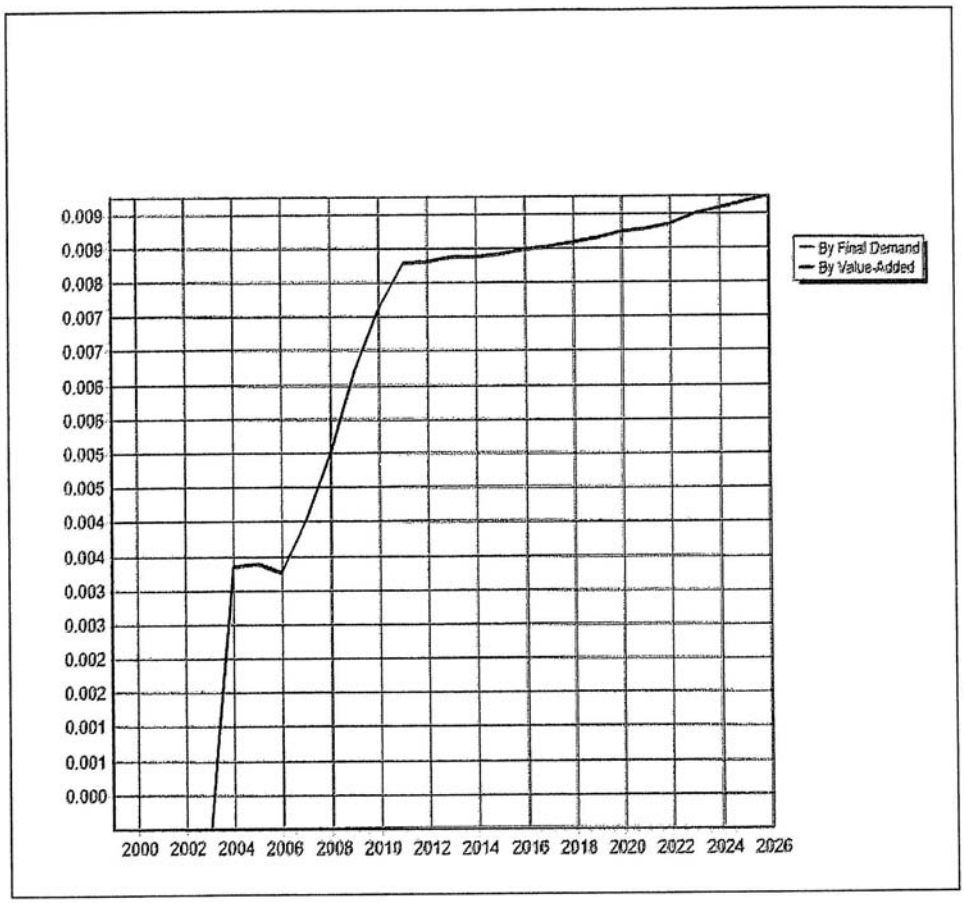
The following graphs isolate several of the key economic factors for clarification. In summary, these data indicate that immediate economic benefits will result from the railroad construction. However, subsequent benefits will be dependent upon the railroad's ability to work with local businesses to expand their markets to increase economic activity to overcome the loss of trucking jobs no longer necessary with the rail extension.



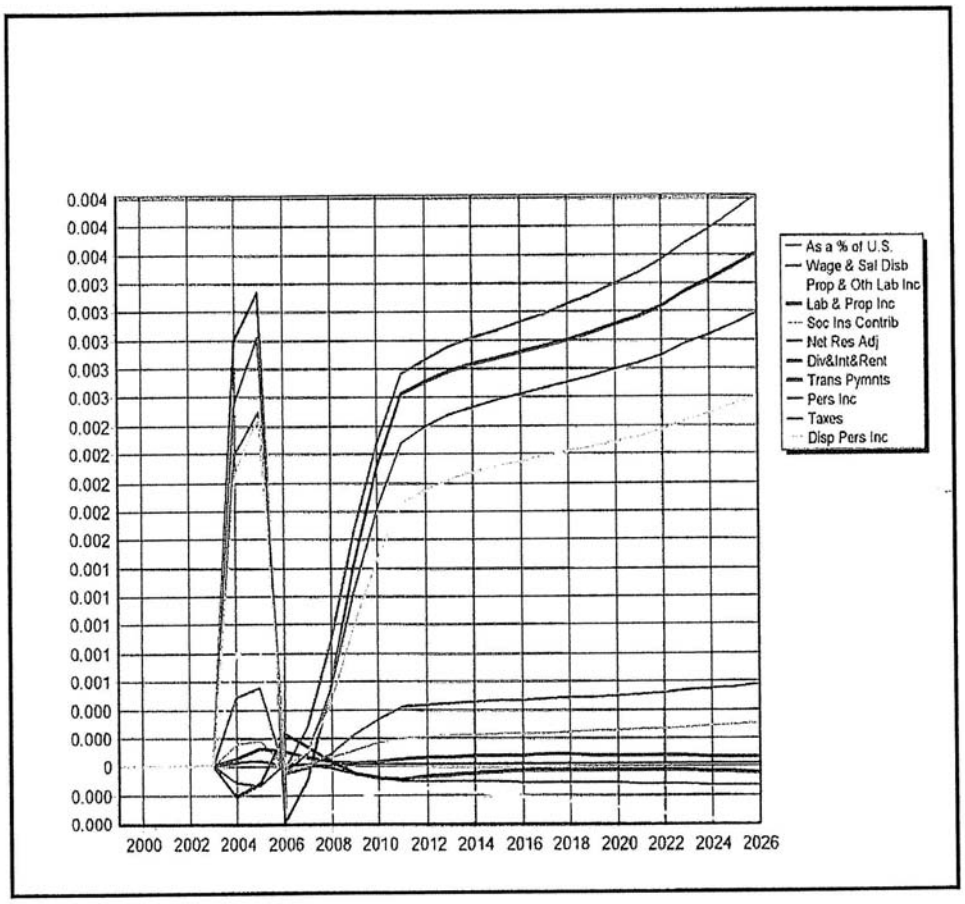
Regional Simulation High Projection
Employment (Thousands)



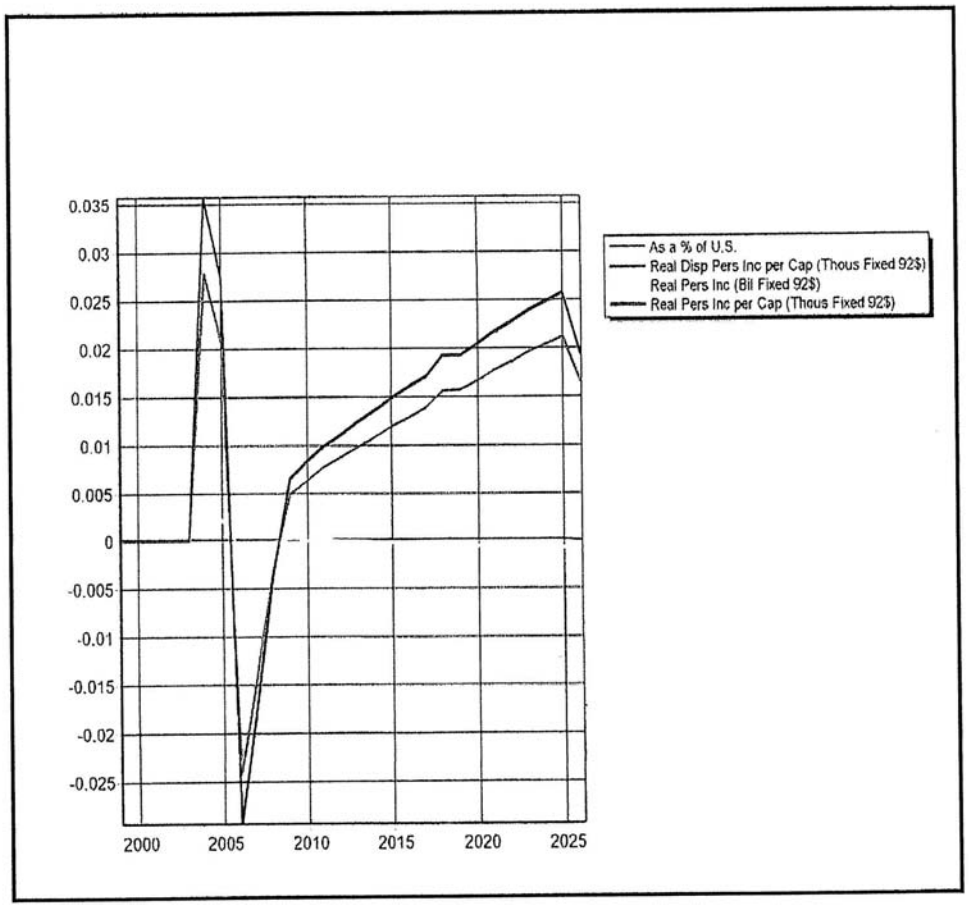
Regional Simulation High Projection
Gross Regional Product (Billions Fixed 1992 $)



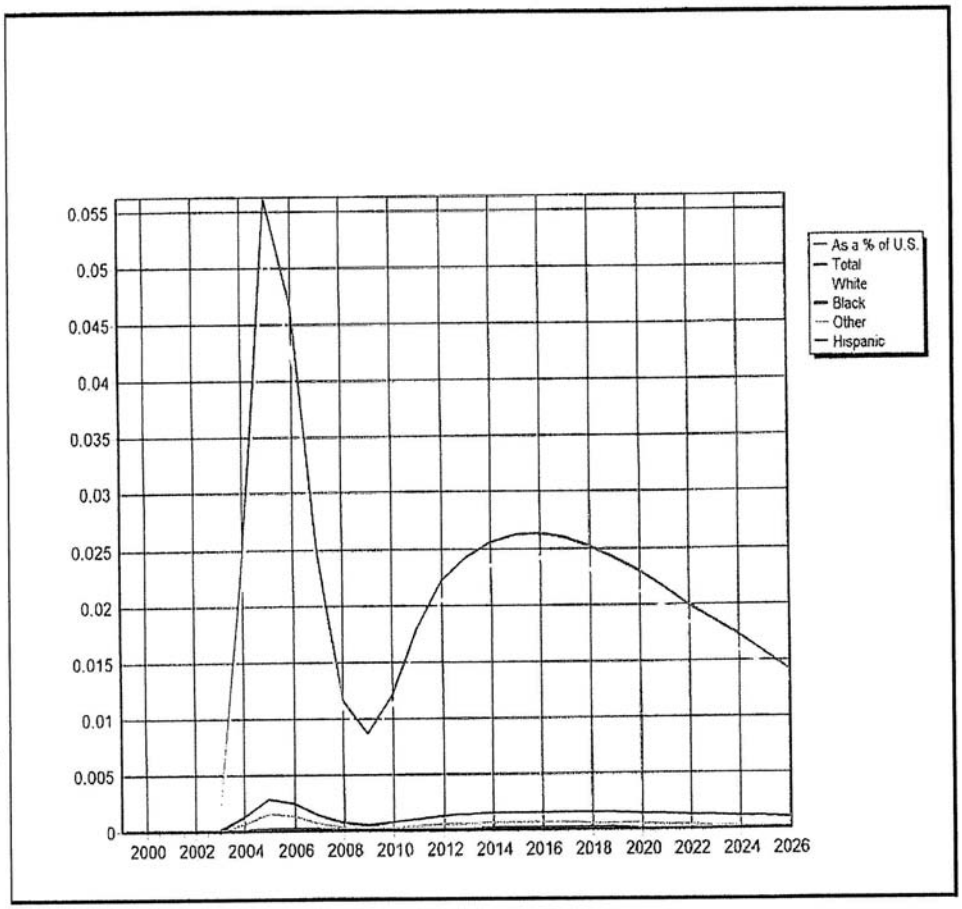
Regional Simulation High Projection
Personal Income (Billions $)



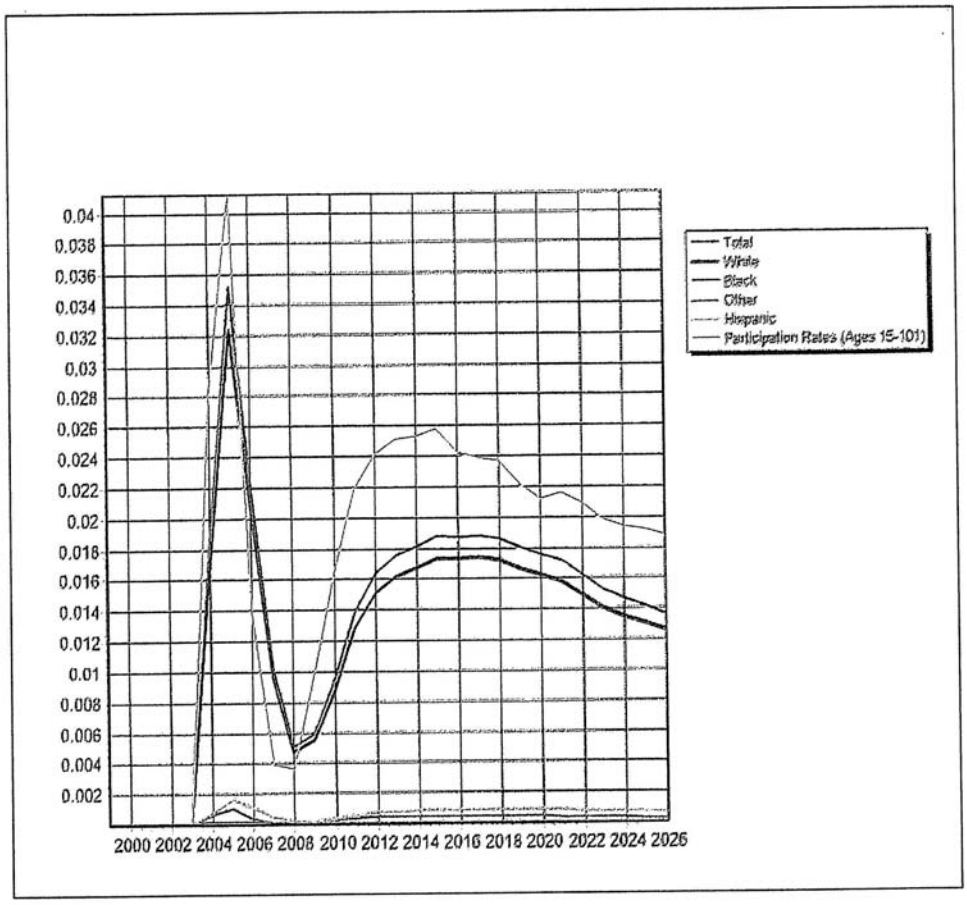
Regional Simulation High Projection
Real Disposal Personal Income (Billions Fixed 1992 $)



Regional Simulation High Projection
Population (Thousands)

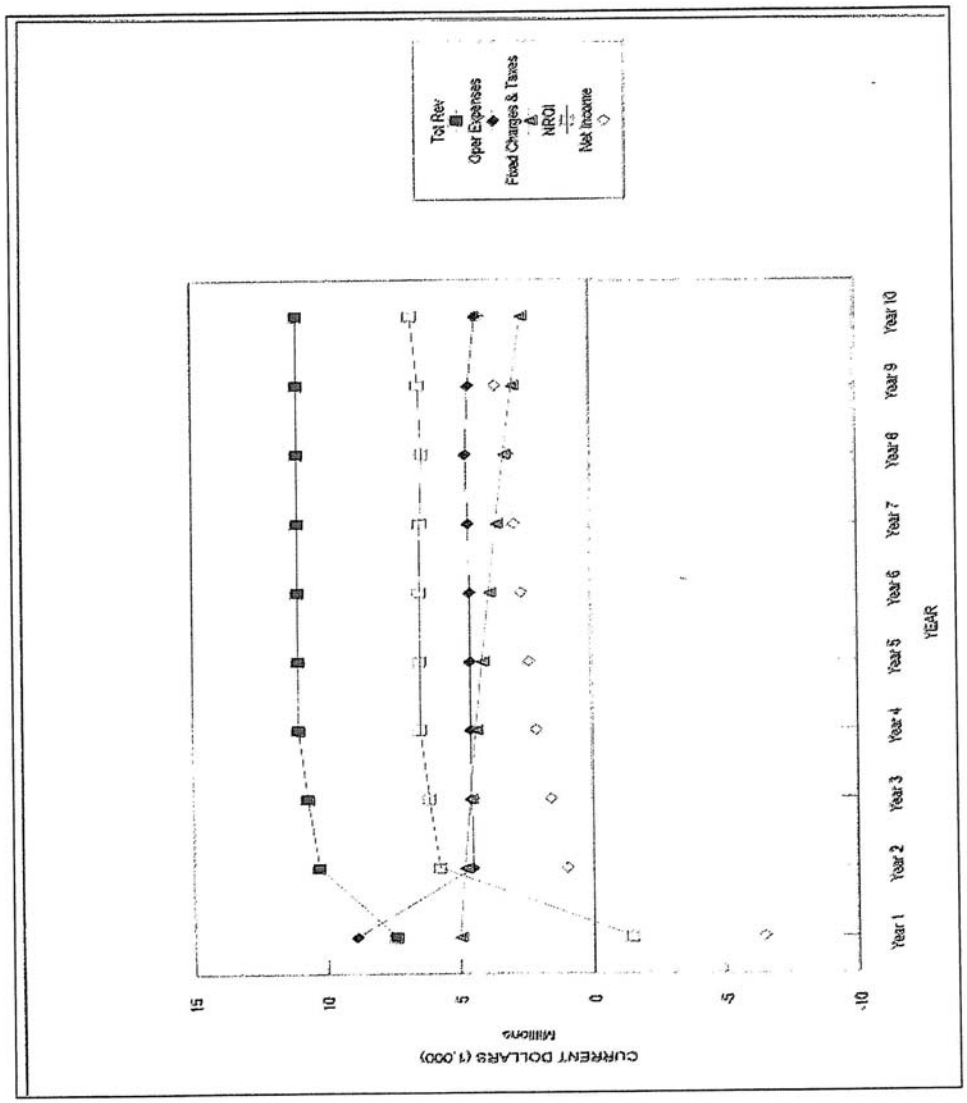


Regional Simulation High Projection
Labor Force



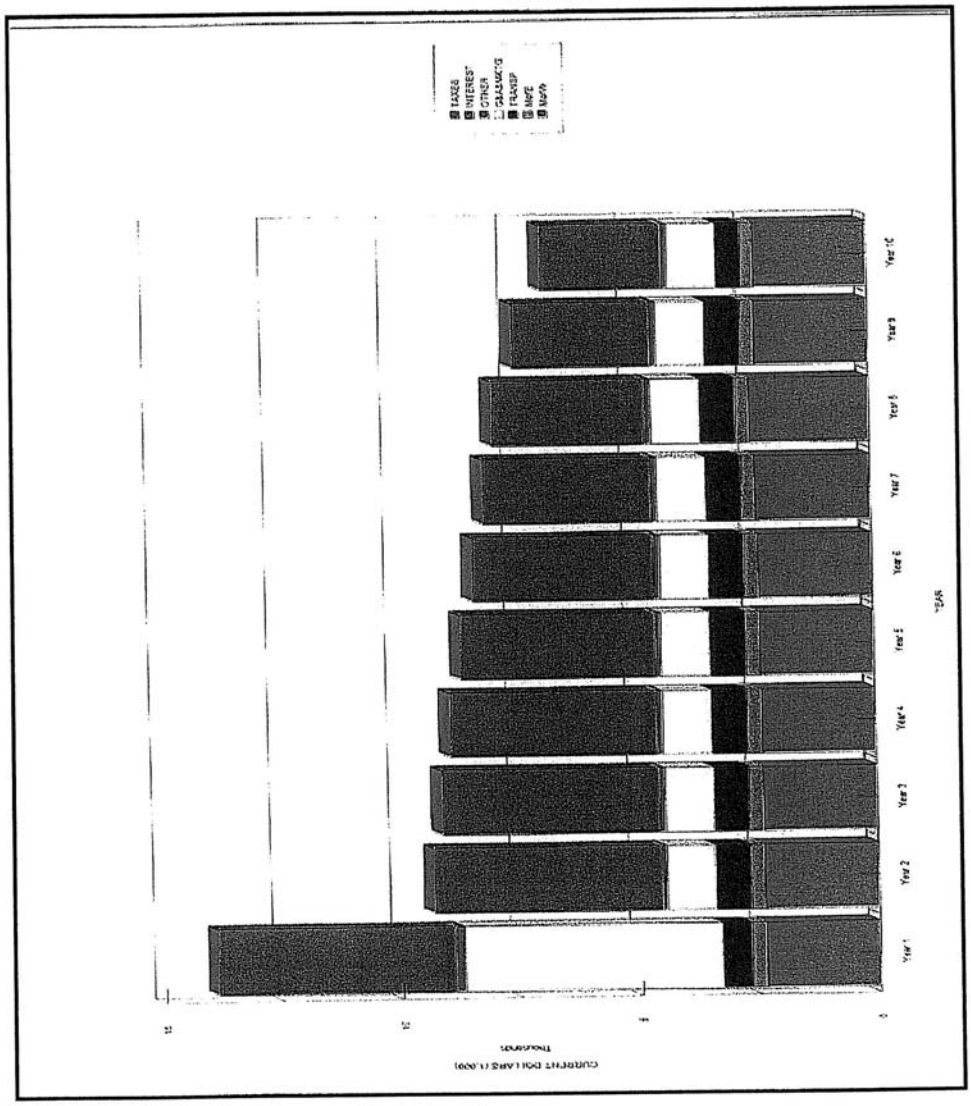
Pro Forma Results of the Proposed Central Utah Railway
Routes 1A Plus 2 Low Carload Projection

PROFIT AND LOSS STATEMENT



Pro Forma Results of the Proposed Central Utah Railway
Routes 1A Plus 2 Low Carload Projection

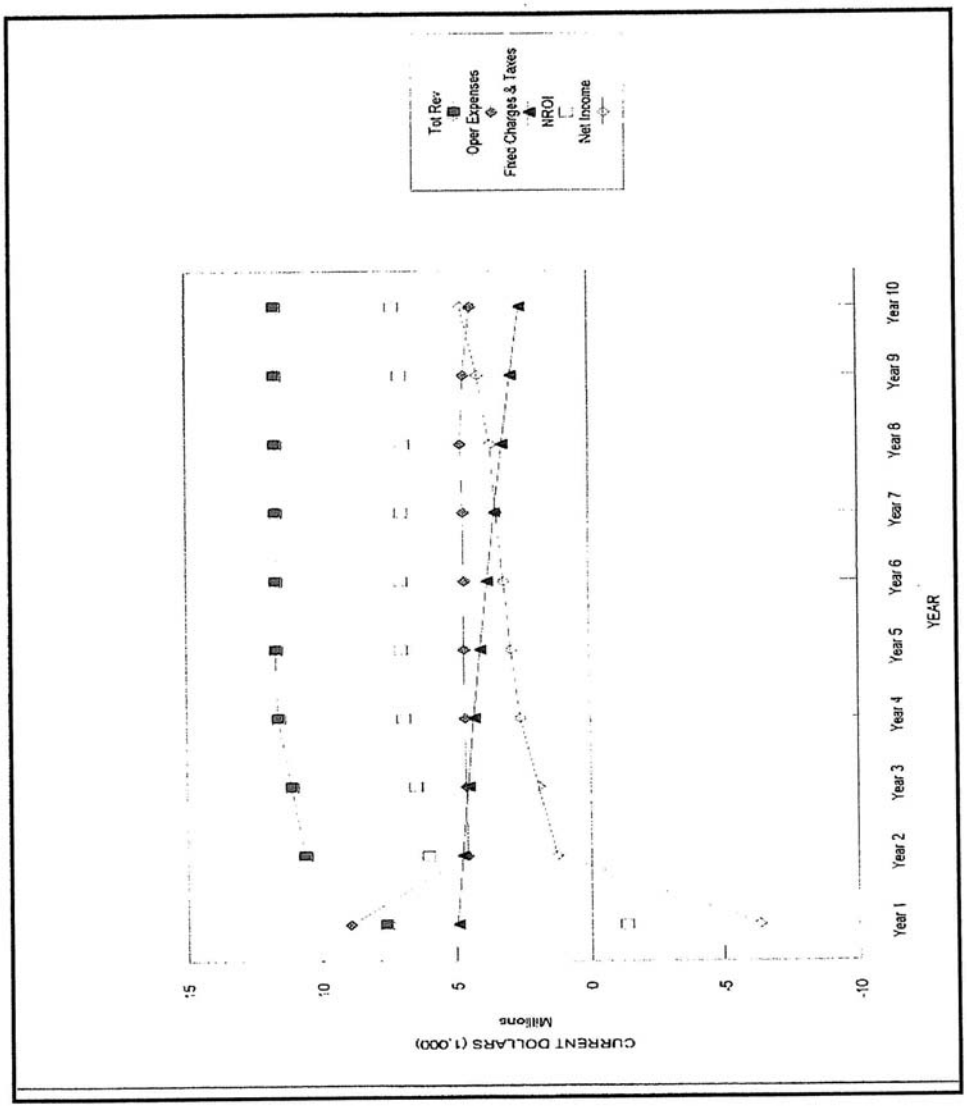
SUMMARY OF EXPENSES BY MAJOR CATEGORY[1]



[1] First year includes the accumulated construction interest expense in the G&A category.

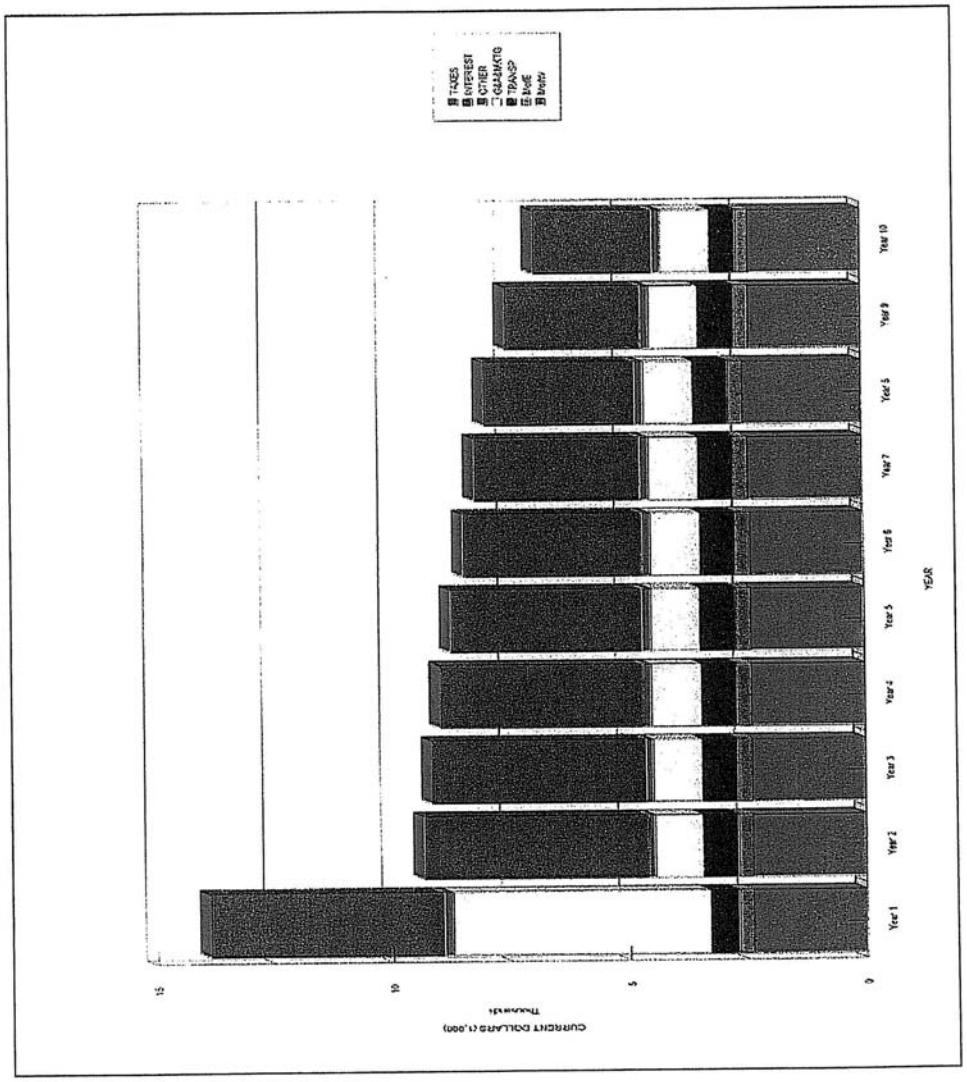
Pro Forma Results of the Proposed Central Utah Railway
Routes 1A plus 2 High Carload Projection

PROFIT AND LOSS STATEMENT



Pro Forma Results of the Proposed Central Utah Railway
Routes 1A plus 2 High Carload Projection

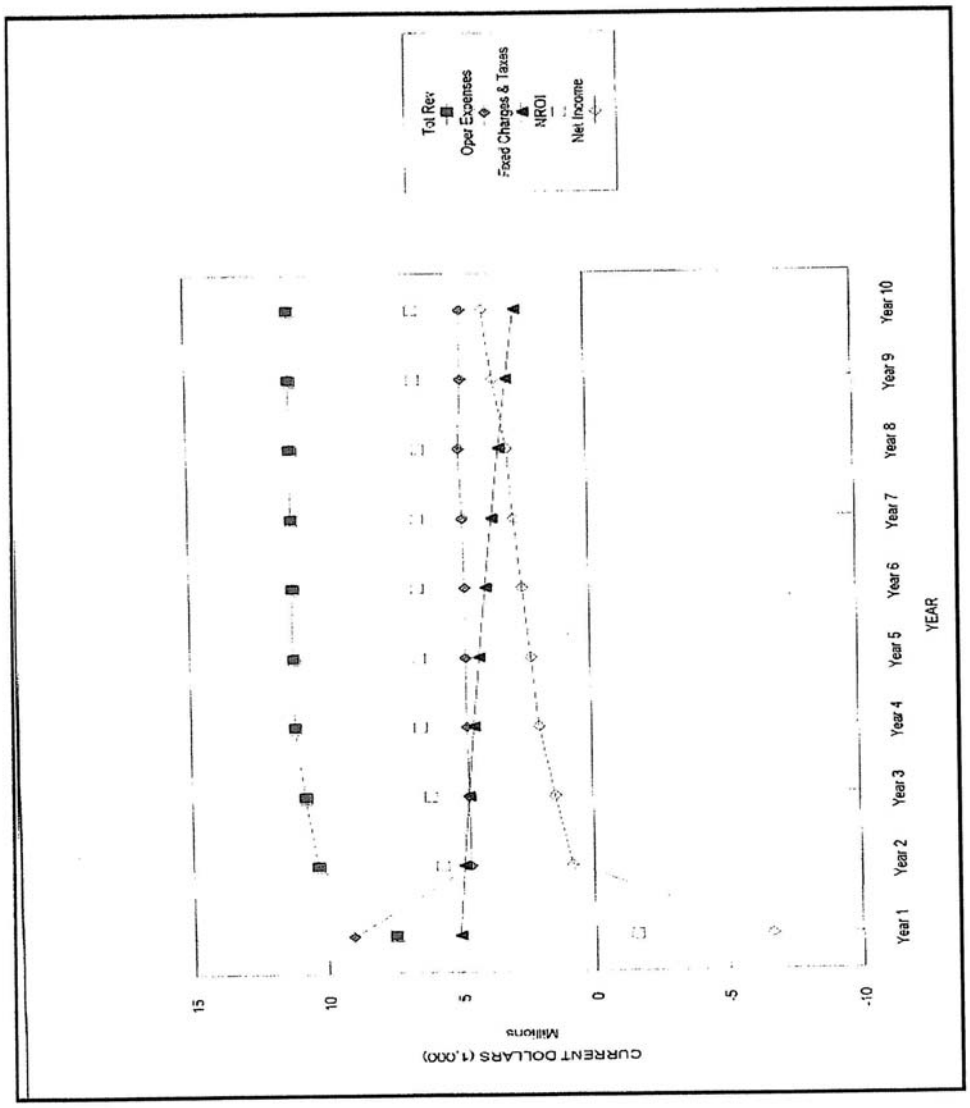
SUMMARY OF EXPENSES BY MAJOR CATEGORY[2]



[2]First year includes the accumulated construction interest expense in the G&A category.

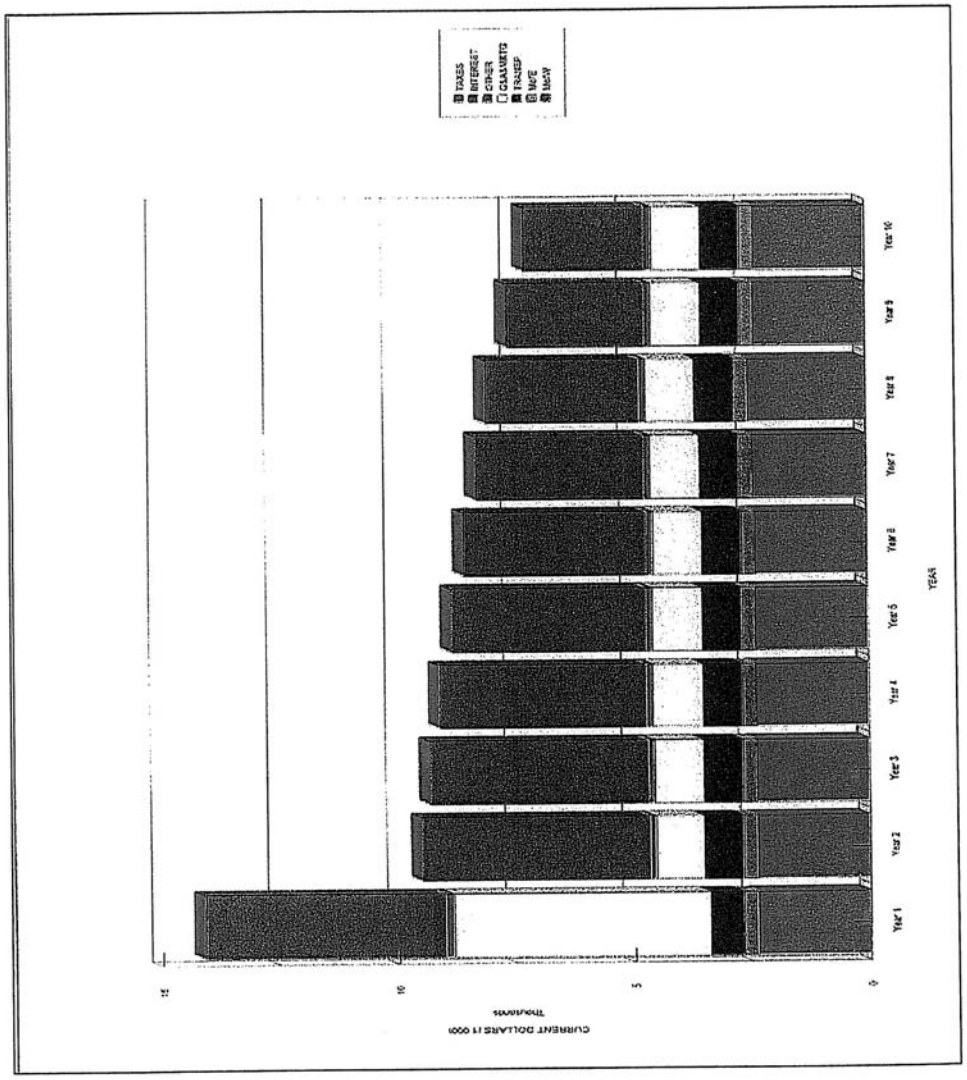
Pro Forma Results Of The Proposed Central Utah Railway
Routes 1A plus/1A plus 3 Low Carload Projection

PROFIT AND LOSS STATEMENT



Pro Forma Results of the Proposed Central Utah Railway
Routes 1A plus/1A plus 3 Low Carload Projection

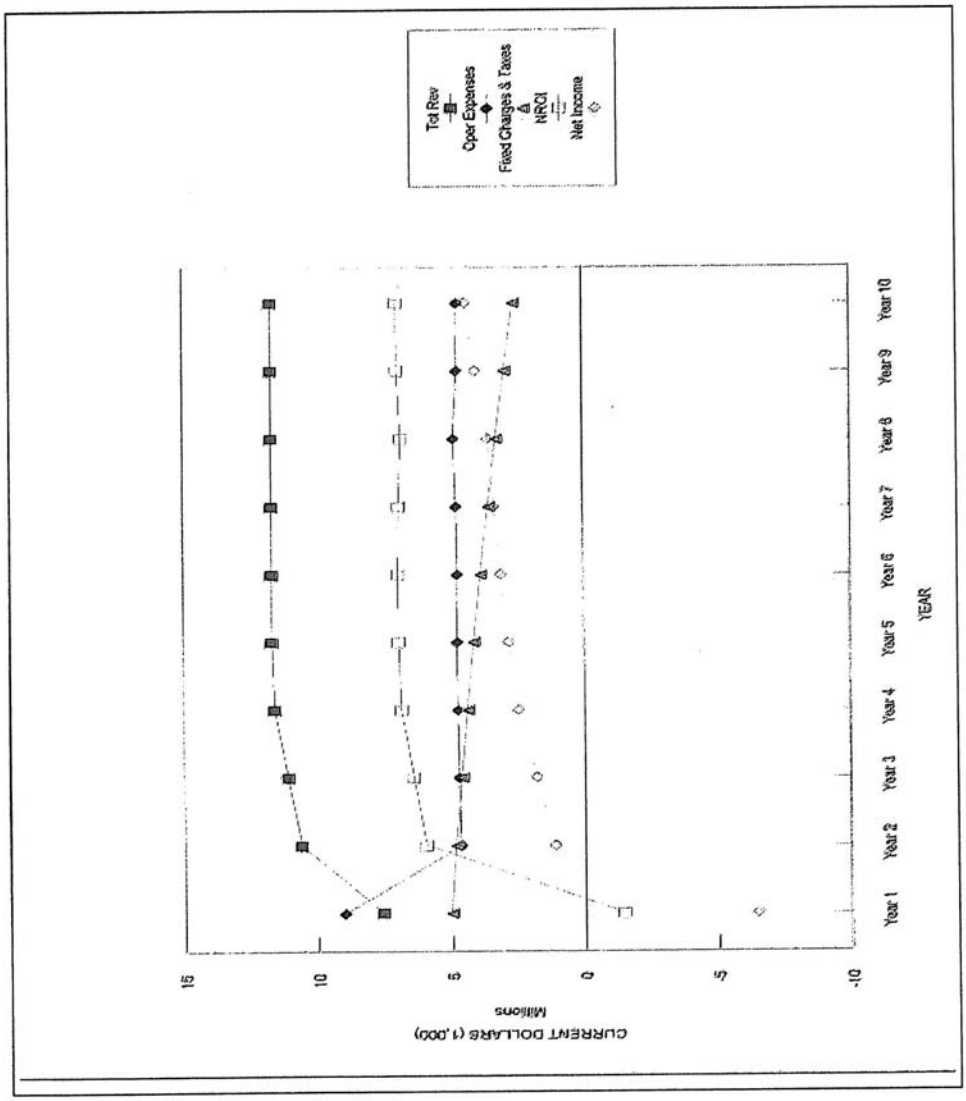
SUMMARY OF EXPENSES BY MAJOR CATEGORY[3]



[3]First year includes the accumulated construction interest expense in the G&A category.

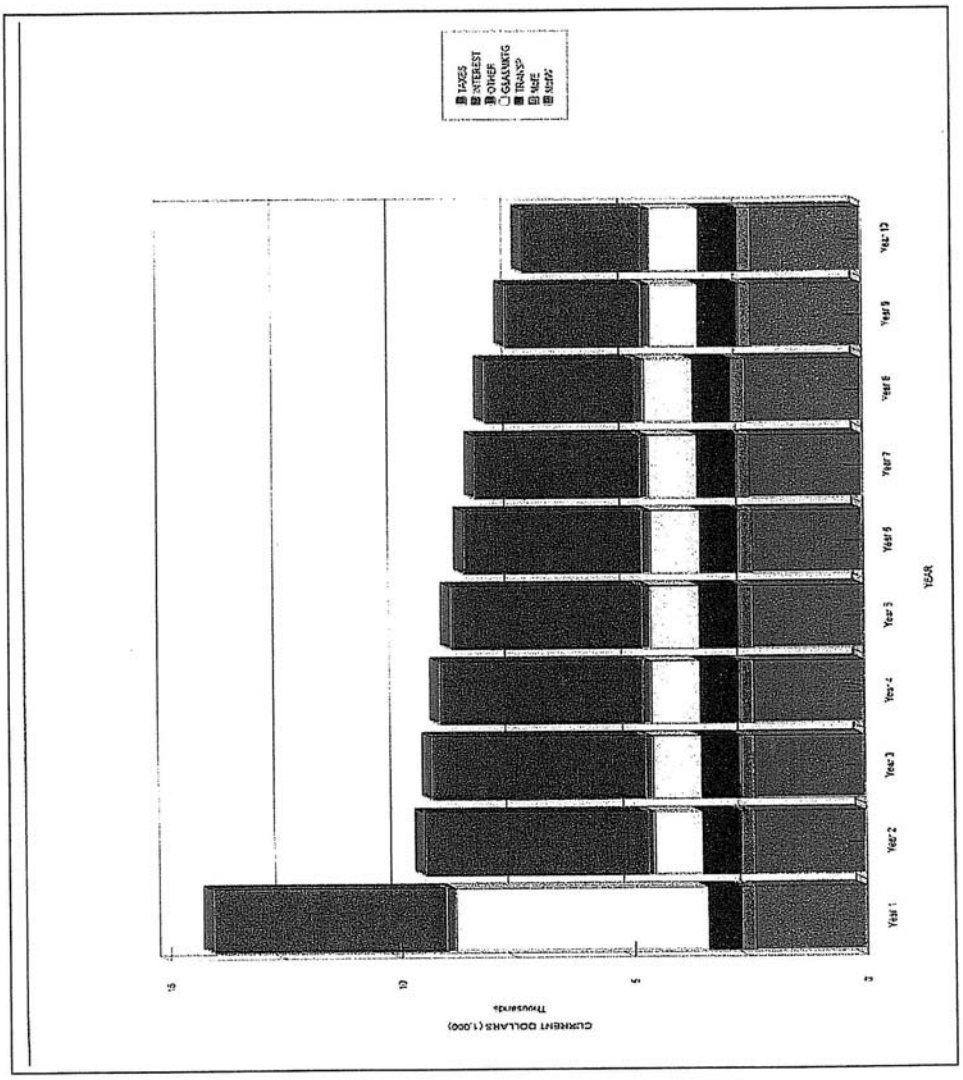
Pro Forma Results of the Proposed Central Utah Railway
Routes 1A Plus/1A plus 3 High Carload Projection

PROFIT AND LOSS STATEMENT



Pro Forma Results of the Proposed Central Utah Railway
Routes 1A plus/1A plus 3 High Carload Projection

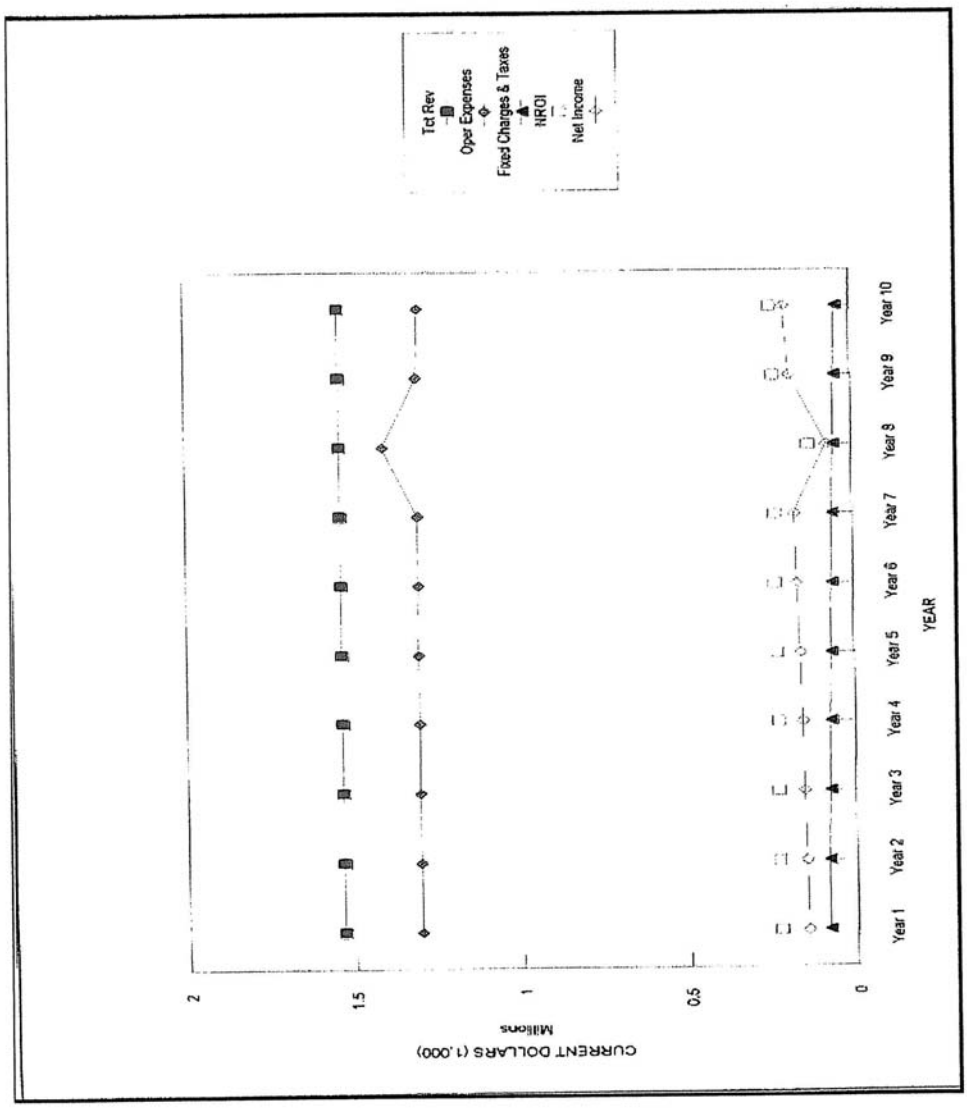
SUMMARY OF EXPENSES BY MAJOR CATEGORY[4]



[4]First year includes the accumulated construction interest expense in the G&A category.

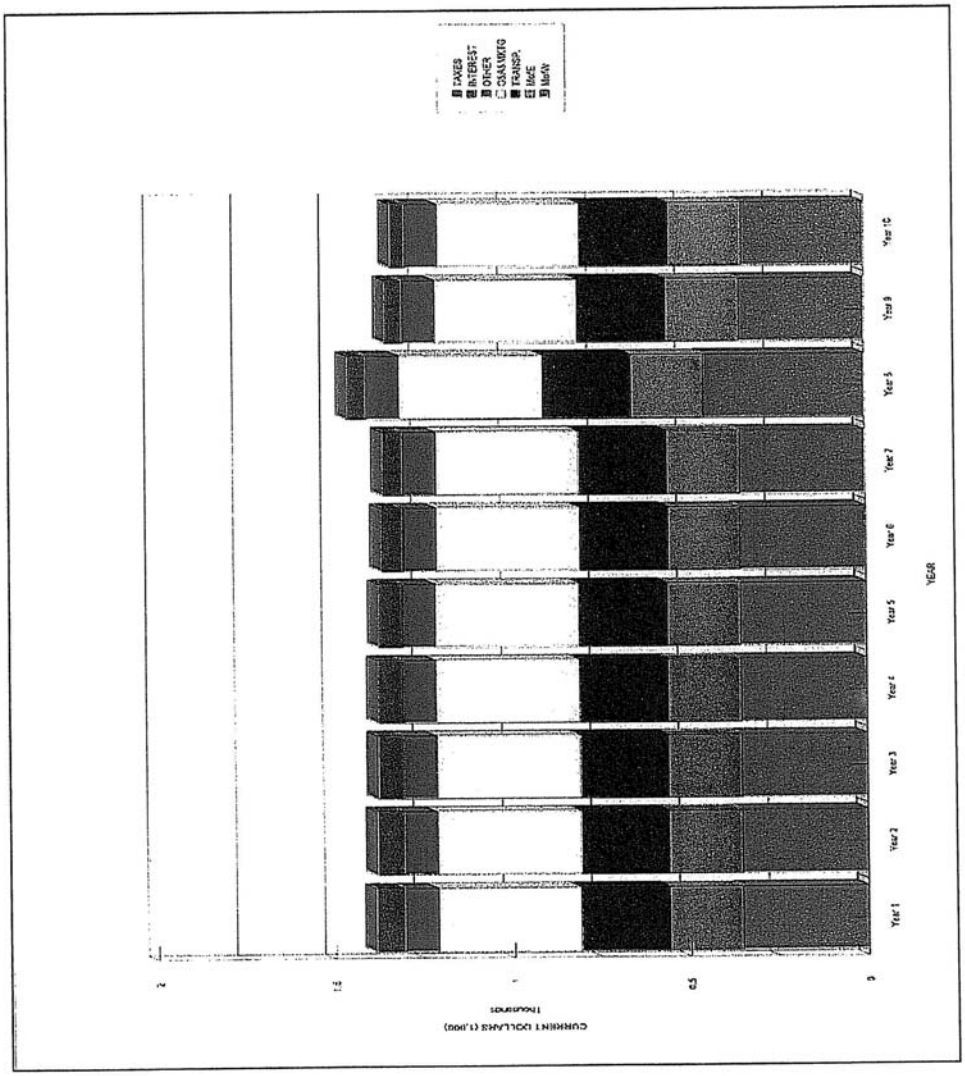
Pro Forma Results of the Proposed Central Utah Railway Routes 1A plus 2 Debt Paid Down To $2.5 Million

PROFIT AND LOSS STATEMENT



Pro Forma Results of the Proposed Central Utah Railway
Routes 1A plus 2 Debt Paid Down To $2.5 Million

SUMMARY OF EXPENSES BY MAJOR CATEGORY[5]



[5] First year includes the accumulated construction interest expense in the G&A category.

4.5 Railroad Operating Characteristics

The proposed Central Utah Railway has three potential operating structures that could be implemented:

- Operation by the Union Pacific
- Operation by a short line or locally owned railroad
- Operation by a combination of the Union Pacific and short line operations

Based on the nature of the business to be transported by the Central Utah, it is recommended that the combination approach be given first consideration.

The major railroads, such as the Union Pacific, have been exiting local markets, except where extremely high traffic volume exists. Major railroads have focused primarily on operating solid trainloads, such as the unit coal trains currently dispatched for the account of Canyon Fuels from the Sharp loadout. On the other hand, most local pick-up and delivery functions have become the responsibility of short line railroads where traffic volumes are small and no one customer dominates the rail line.

In the case of the proposed Central Utah Railway, both types of traffic would be present. Canyon Fuels would be shipping trainload volumes, while the other likely shippers and receivers will ship at best small blocks of cars, far short of the 75 plus cars considered sufficient for an entire unit train. Therefore, the opportunity to provide Central Utah Railway customers with the appropriate service application should be applied as appropriate.

The Central Utah, as a short line railroad, would provide maintenance and local management as well as provide the switching service for all customers except for the unit train coal shipments by Canyon Fuels. Cars would be dropped by the Union Pacific at the junction with the Central Utah and, after appropriate handling by the short line, return to the Union Pacific at that point.

Accordingly, unit coal trains coming from Milford, IPP, Provo, or Salt Lake City would not stop at the junction with the Central Utah but continue to the Canyon Fuels loadout. After loading, they would then proceed back to the Union Pacific mainline. Due to the distances of its terminals (Salt Lake City, Milford, and Provo), the Union Pacific may decide to use the loadout as a terminal. If it does, the Central Utah may be used to load the coal trains while the Union Pacific crew gets its rest.

Mixing the Central Utah and Union Pacific services will require an adequate dispatching system, but the low volume of activity would not cause significant challenges. As an example, a computerized track warrant dispatch system can easily handle this number of trains. The short line would provide the dispatching oversight.

Based on the volume of business for all customers except Canyon Fuels, it is anticipated that a six days per week local would originate at Milepost 40. This location would have tracks for storage and a classification yard as well as a small maintenance facility for the locomotives and minimal car repairs. The train crew would then make its rounds among the customers and provide appropriate interchange with the Union Pacific at the junction.

Unit coal trains would average one to two per day. Although unit coal trains usually follow repetitive time of day arrivals or departures, coordination with the Union Pacific would minimize the interference with the Central Utah local train. One siding at Milepost 26 has been included in the design of the railroad to allow coal trains and the Central Utah local to pass to minimize disruption to either operation. In addition to the unit coal trains, there are also some coal shipments of less than trainload volume. The handling of these cars would be coordinated between the Union Pacific and the short line as appropriate.

4.6 Railroad Cost Model

The railroad cost model was used to evaluate the operating results of the proposed Central Utah Railway and represents an interactive set of pro forma financial statements based on:

- Railroad Structure
- Traffic or Business Levels
- Expenses
- Equipment (including cars, locomotives and support facilities)
- Train Operations
- Capital Structure and Terms

Each of these inputs to the model requires detailed information that can be reviewed in Appendix E.

In brief, the structure of the railroad represents the corridor option that appears to be the most viable among the alternatives that were developed. The traffic volumes are those derived in the market analysis. Expenses represent all aspects of the operation including labor, machinery, tools, supplies, and fuel as well as general and administrative overhead expenses. Equipment represents the locomotives, maintenance trucks, and support facilities to provide the level of operations anticipated for the Central Utah.

The operations for the railroad include the functions necessary to move the business between customers and the Union Pacific junction. Due to the arrangement between the Union Pacific and SUFCO wherein the Union Pacific will operate the unit trains over the Central Utah at no additional shipping costs to SUFCO, there have been no transportation expenses incorporated into the model for the unit coal trains. However, the maintenance of the track as well as some general and administrative expenses reflect the fact that these coal trains will be utilizing the rail line.

The last factor for the model to evaluate the proposed Central Utah Railway relates to the capital. In this regard, each of the options that have been selected requires a total capital amount in the $71.5 - $73.25 million range based on the cost of building the highest rated corridors: 1a plus 2 and 1a plus/1a plus 3. In addition, the long-term debt includes $4.5 million to cover estimated interest expense during construction.

A number of sensitivities for the financial funding were used to illustrate the payback period. The amount of the Canyon Fuels contribution was varied between $2.50 per ton and $2 per ton, reflecting the reduction in trucking costs contributed to the railroad.

The base case was set at a total loan of 7% (annual percentage rate) and a 15-year amortization rate to pay back the loan. To pay the loan back in 15 years would require Canyon Fuels to contribute the maximum $2.50 per ton truck savings for 15 years. Recognizing that this represents a relatively long period for no direct transportation savings, an alternative was considered based on the truck savings contribution being set at $2 per ton. At the same 7% annual percentage rate, the loan payback in that case would require 25 years.

Reducing the annual percentage rate by two percentage points to 5% allows the loan to be paid back sooner. Under the assumption that the entire $2.50 per ton savings would be applied to debt service, the entire initial loan amount could be paid back in 12.5 years, 2.5 years less than at 7%. Alternatively, extending the loan so that Canyon Fuel's contribution was $2 per ton would require 18 years for the payback, seven years less than a loan rate of 7%.

Finally, the railroad was evaluated presuming all but $2.5 million of debt had been paid down. In this case, the cost to Canyon Fuels for the shipments over the proposed Central Utah Railway could be as low

as $1 per ton while allowing the railroad to produce ample cash flow to cover operations and maintenance.

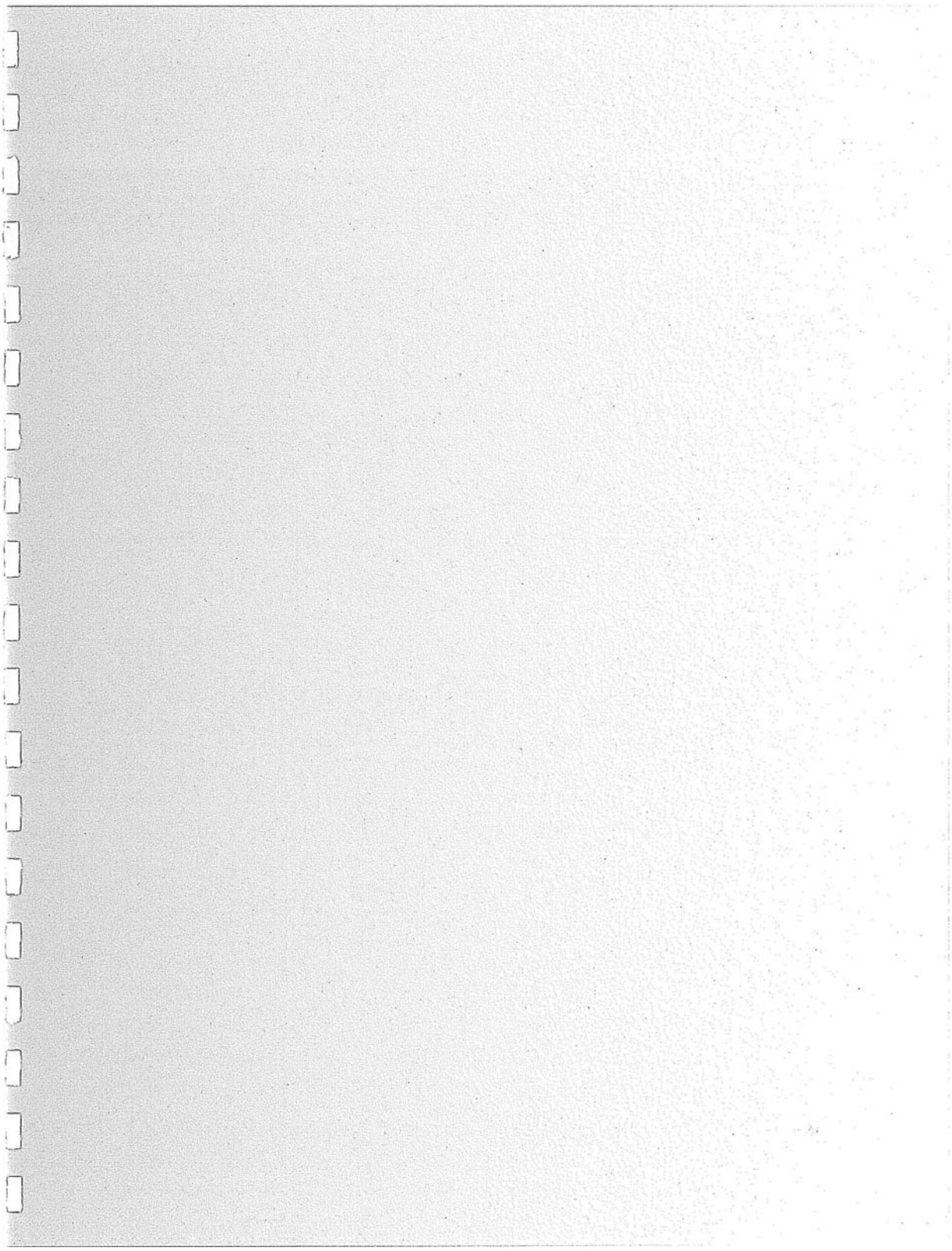
Alternatively, the prospect of coal shipments ceasing at some time in the future was considered and an evaluation conducted to determine if the railroad, after paying back the debt, could exist on just the non coal business. This would be possible, but would require a reduction in maintenance and other expenses commensurate with the much lower business level

There was no property tax or use fee factored into the railroad costs. It is estimated that lost property tax would be about $100,000 annually. Presuming the railroad is owned by a public entity, then a "toll" could be placed on each loaded freight car, similar to a toll bridge or toll road fee. In this case, a toll of approximately $2.25 per carload would produce an amount equivalent to the estimated lost property taxes.

Proposed Central Utah Railway
Payback and Debt Requirements for Corridor 1a Plus 2

Category	Low Carload Projection				High Carload Projection			
Payback Period (years)	15	12.5	25	18	15	12	24	17
Debt Required (millions)	$72	$72	$72	$72	$17.5	$71.5	$71.5	$71.5
Interest Rate	7%	5%	7%	5%	7%	5%	7%	5%
Truck Savings Allocated to Debt Payback (coal shipments) per ton	$2.50	$2.50	$2.00	$2.00	$2.50	$2.50	$2.00	$2.00

The table illustrates that the truck savings are absolutely essential to payback the proposed railroad's debt in a timely fashion. The other variable that can significantly impact payback is the interest rate. These and other factors will need to be negotiated with the sources of funding. The relative risk of the project will have a major influence on what financing factors will be practical.



5 Ownership Options

5.1 Overview

Three possible ownership options are available to the Central Utah Rail Project—private, public, or a combination of private and public interests. Most of this nation's rail operations are private.

Funding for freight railroad infrastructure is generally limited to high return projects that either pass the scrutiny of private sector financial returns or internal rates of return from the railroad building the project. Examples of high return projects included the Powder River Basin line that today is carrying over 300 million tons of coal annually. A more recent example is a 9-mile build-in to a Nebraska power plant (designed by Washington in 1994) that was to provide dual rail service to the plant.

The previous discussion addressing the likely financial performance of the Central Utah Railroad illustrates that substantial operating cash flows are needed to cover the substantial debt service caused by construction and equipment acquisition. Interest and construction management expense during pre-revenue operation also add to this burden. With the exception of limited purpose pipelines, other modes of transportation are not required to meet these high thresholds for new infrastructure. Users of highways, airports, and inland waterways have public funding mechanisms that allow them to use these facilities on a variable cost basis. As a result, the railroads' competitors have a substantial cost advantage due to capital and risk issues not affordable to the railroad industry.

Through fuel taxes and/or user fees, other modes contribute to publicly funded infrastructure on a "pay as you go" concept. This approach provides a mechanism to overcome the startup and business level risks by charging for use, not the fixed amount that addresses a cost factor with little relationship to actual use. In the case of the CUR , this approach would apply to shippers and/or operators(s) paying a fee to use the facilities. If the railroad were highly utilized, these fees would cover debt service and provide a return on investment. If coal shipping demand were to decline at some point in the future, the usage of the railroad also could fall below the levels necessary to cover debt service. Based on the Financial Analysis discussed in Section 3, it appears the CUR falls somewhere in between.

This poses a challenge—how to capitalize on the benefits the railroad could bring to the SCAOG/Sevier Valley while remaining financially viable and responsive to market forces. The answer appears to require a creative combination of private and public sector involvement. Private sector participants could include SUFCO, UP, a third-party operator such as Utah Railway or Genesee & Wyoming, and other railroad users. Public participants could include SCAOG or county members of their organization; the State of Utah, perhaps through a redirection of transportation funding; or a newly created Rail Distinct or Authority. These three choices are discussed below.

5.2 Private

As previously noted, most freight railroads are consummate private sector businesses. Key characteristics include:

- Ownership of rights-of-way
- Capital generated by operations and private borrowing
- Pay property taxes
- Dispatch and maintain own facilities

Due to the thinness of return identified in Section 3 and the lack of diversity of major shippers, it is unlikely that private interests will fund the project, at least completely on their own, unless further

guarantees are in place (see discussion below). Union Pacific has remained aloof with good reason. They are focused on spending all of their available investment dollars to fund their own capacity and plant maintenance needs.

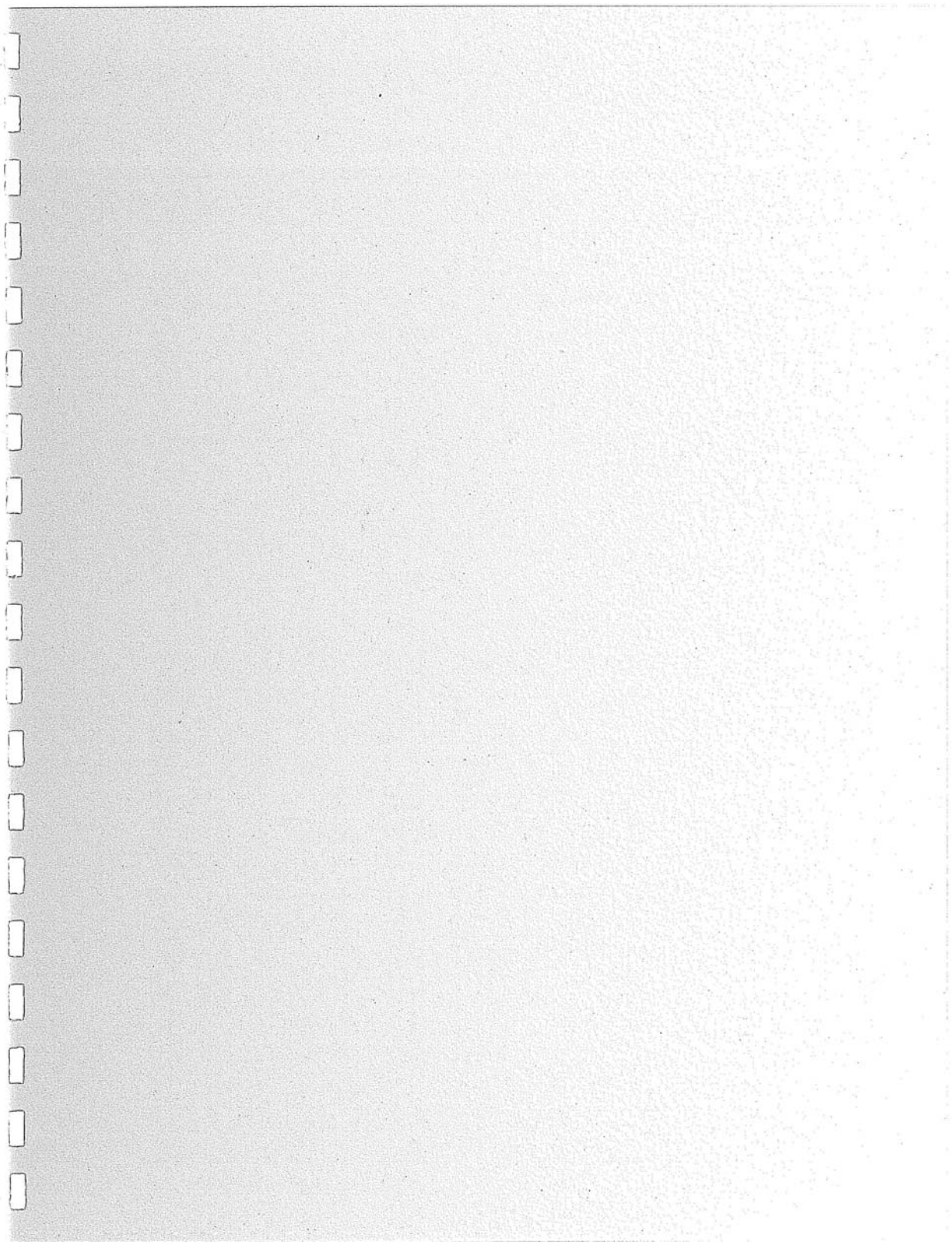
5.3 Public

A separate Rail District or Authority (similar to what is currently being used in Texas) may be what SCAOG decides is a workable solution. This likely would require the Utah State Legislature to create a new law specific to the needs of Utah or modify existing legislation to incorporate this option. The Texas legislation could be used as a guide. Whether the District would rely solely on revenues from shipments or be partially funded by property or sales tax is an issue to be decided as the STB process enfolds. Use of a special District would also provide a vehicle for funding further extensions and capital improvements to the existing line.

5.4 Combination of Public and Private

Because of the interest of both Private business interests and the SCAOG, and most importantly, due to the substantial revenue stream presently available, this choice seems the most likely. One possibility for creating an equity player would be to create a partnership with a majority stake held by the SCAOG and minority position funded by private business interests. The major amount of the construction cost could be covered by debt (70% to 90%), either with use of RRIF funds as discussed in the next section, through a tax-free revenue bond issue, or in combination. Within the equity agreement, provisions could be made where SCAOG and/or the private interests would have the right to purchase the other partner's interest and/or exit the partnership if certain conditions occurred.

Where public ownership of railroads exists, often there are concerns that these entities may become the recipient of public funds through political pressure without regard to need or beneficial results. For example, an argument could be made that some publicly owned railroads like the Alaska Railroad have received federal support beyond the associated economic returns of the projects funded by the public purse. However, if the ownership is structured properly, this concern should be ameliorated.



6 Financing Options for the Central Utah Rail and Risks to the Owner

As stated in Section 5, it is doubtful that an outside private party will fully finance the project, at least without further guarantees that mitigate the risk of reduced coal shipments due either to production interruptions or falling prices. Conversely, because of the $10 million plus of revenues projected at startup, it appears a totally public entity will also not be required. Rather, it seems most likely that a combination public/private owner will be the type of entity that will seek funding, at least for the first few years of operation.

Looking beyond private sector financing, several government programs have been discussed during the study (refer to the funding options table on the following page). Most promising is the Railroad Rehabilitation and Improvement Financing Program (RRIF) that is managed by The Federal Railroad Administration. Unfortunately, this program did not fully encourage its use due to various qualifying conditions. However, partly because of the recent national emergency, there are stirrings in Congress to perhaps remedy this law so that it becomes a more realistic vehicle for new construction, or craft some other form of financing for advancing the rail mode in this country.

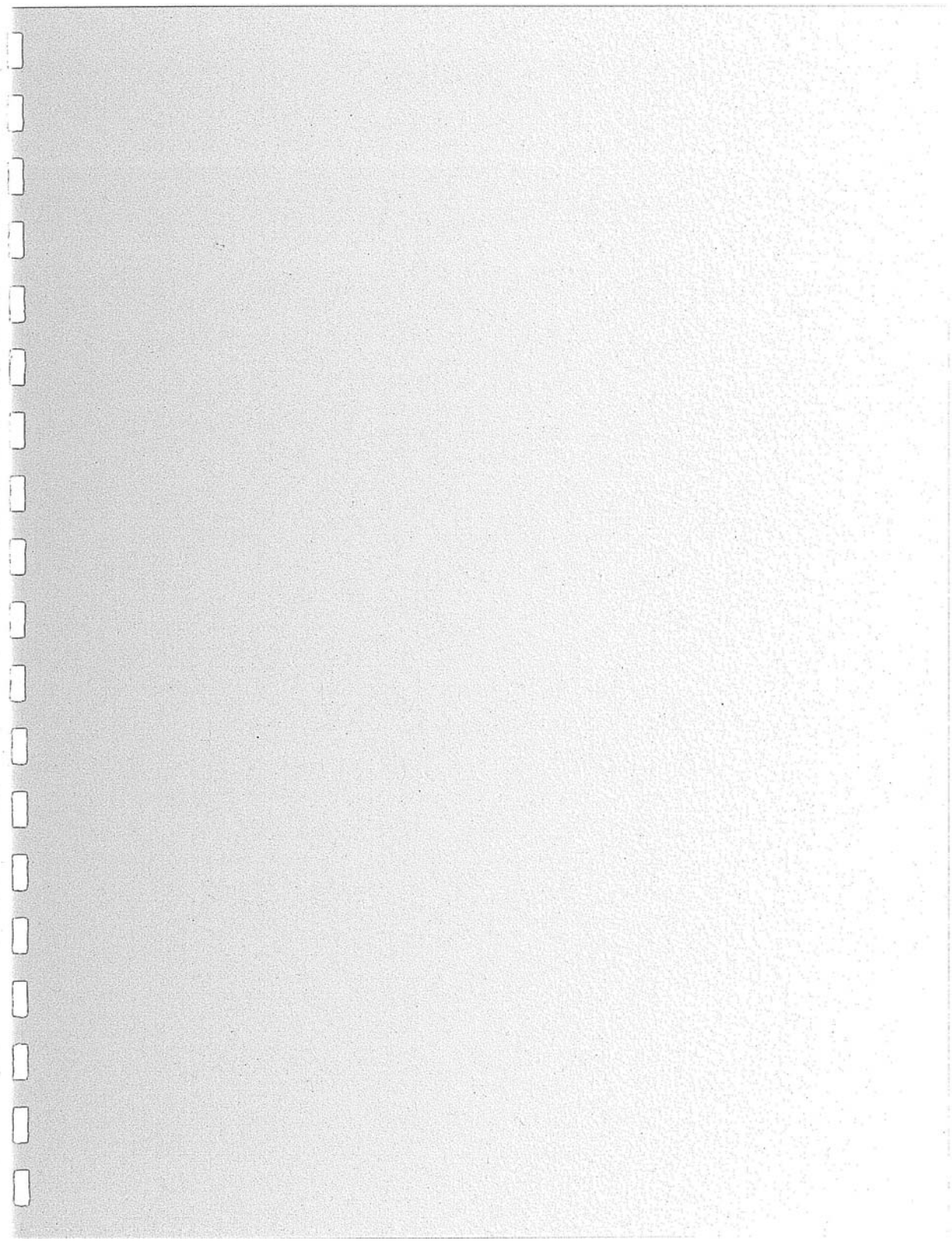
It is recommended that SCAOG continue its pursuit of soft money for progressing the STB Application. With the $1.7 million grant that already has been requested, preparation of the necessary environmental document and the application itself will move forward.

Subsequently, once the corridor is selected by the SCAOG and the application is prepared, and assuming funds remain from this grant, preliminary design engineering issues, such as fixing the alignment, studying property and drainage issues in more detail, geotechnical investigation for bridge crossings, and aerial photography, can be advanced. As the application process moves towards a decision, private interests wishing to be part of the ownership partnership will likely emerge.

Central Utah Rail Project Funding Options

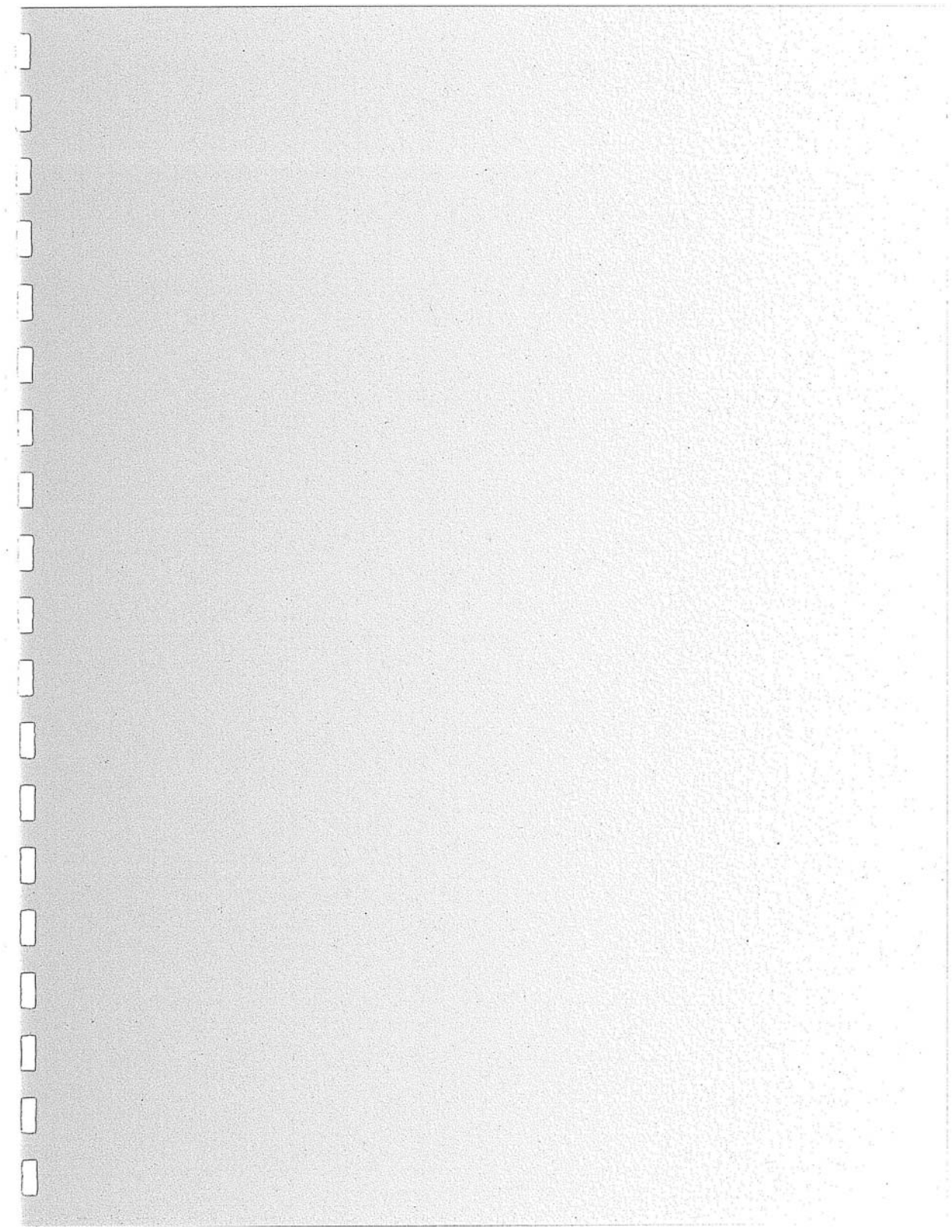
Phase 1 & 2 Planning and Design Primary Funding Options						
Item No.	Fund Name	Fund Source	Administration	Available Funds	Type Of Funding	Eligibility Requirements
1	Permanent Community Impact Fund Board Grant & Loan Program (CIB)	State of Utah Dept. of Community and Economic Development	Community Impact Board	$6 million total funding, $2.5 million per project limit	Grants & loans	The CIB is a program of the State of Utah which provides loans and/or grants to state agencies and subdivisions which are or may be socially or economically impacted, directly or indirectly, by mineral resource development on federal lands. Utah State statute authorizes the CIB to fund the following activities: planning, construction and maintenance of public facilities, and provision of public services. Planning and study requests require a fifty percent (50%) cash contribution from the applicant. A consolidated list of the anticipated capital needs for eligible entities shall be submitted to the Board no later than Jan. 31st of each year. The list will contain a short (1 yr.), medium (5 yr.), and long range component (5-10 yr.).
2	Transportation and Community and System Preservation Pilot Program(TCSP)	US DOT	FHWA	$120 million	Discretionary grants	The TCSP Pilot Program is a comprehensive initiative of research and grants to investigate the relationships between transportation and community and system preservation and private sector-based initiatives. States, local governments, and metropolitan planning organizations are eligible for discretionary grants to plan and implement strategies that improve the efficiency of the transportation system; reduce environmental impacts of transportation; reduce the need for costly future public infrastructure investments; ensure efficient access to jobs, services, and centers of trade; and examine private sector development patterns and investments that support these goals. The State of Utah has previously utilized these funds for "Envision Utah" ($630,000) and the "Isolated Empire" Utah-Colorado Rail Connector Studies($1,339,717). Application Deadline is January 31, 2002 and the Program Grant Award is expected after October 2002.
3	Light Density Rail Line Pilot Projects (LDRL)	TEA-21, DOT	DOT Secretary	$17.5 million	Grants	The LDRL Pilot Program is designed to allow the Secretary to fund pilot project that demonstrate the relationship of light density railroad services to the statutory responsibilities of the Secretary related to rail and highway transportation. Requires an Appropriations Act before implementation. The Secretary is authorized to make grants to States with State rail plans, to fund pilot projects involving capital improvements to and rehabilitation of publicly and privately owned rail line structures.
4	Rural Business Opportunity Grant (Current Project Fund) (RBOG)	USDA	USDA Rural Development	$1.5 million per grant (currently using $50,000)	Grants	RBOG funds provide for technical assistance, training, and planning activities that improve economic conditions in rural areas. Applicants must be located in rural areas(cities less than 10,000 pop.). Nonprofit organizations and public bodies are eligible.
5	Utah Community Development Block Grants (CDBG)	HUD	Utah Department of Community & Economic Development	Approx. $582,000 per year for SCAOG based on HUD formula	Grants	CDBG funds are used to improve public facilities, expand economic opportunities, develop and use land resourcefully, provide needed public services, promote strong local government, leverage other funds, decrease juvenile crime, drug & alcohol abuse and reduce family violence. The project must benefit a majority of Low to Medium Income(LMI) residents of the community. Submittal deadline is May 1, 2001.

Phase 3 Construction, Operation, and Maintenance Primary Funding Options						
Item No.	Fund Name	Fund Source	Administration	Available Funds	Type Of Funding	Eligibility Requirements
1	Railroad Rehabilitation and Improvement Financing(RRIF)	TEA-21, DOT	FHWA/State DOT	$3.5 Billion	Loan & Loan Guarantees only	To government-sponsored authorities, corporations, railroads, and joint ventures that include at least one railroad. These loans are to be used to acquire, improve, develop or rehabilitate intermodal or rail equipment or facilities, including track, bridges, yards and shops. There are no Application deadlines for this funding.
2	Business & Industry Guaranteed Loans (B&IGL)	USDA	USDA Rural Development	Program funds are $1.556 billion for FY2001. Per borrower limit is $25 million	Guaranteed Loans	B&IGL create jobs and stimulates rural economies by providing financial backing for rural businesses. This program provides guarantees up to 90% of a loan made by a commercial lender. Loan proceeds may be used for working capital, machinery and equipment, buildings and real estate, and certain types of debt refinancing. Applicants must be located in rural areas (cities less than 50,000 population).
3	Business & Industry Direct Loans (B&IDL)	USDA	USDA Rural Development	Program funds are $15 million for FY2001. Per borrower limit is $10 million	Direct Loans	B&IDL funds provides loans to public entities and private parties who cannot obtain credit from other sources. Loans to private parties can be made for improving, developing, or financing business and industry, creating jobs, and improving the economic and environmental climate in rural communities. Applicants must be located in rural areas (cities less than 50,000 population).
4	Public/Private Utilities, State & Local Government Funding Electric Transmission, Water/ Sewer facilities, Fiber Optic/copper communications, etc.	public/private	public/private	varies	Cash, loans, etc.	Various Private Firms may wish to provide funding capital in exchange for a share in potential future profits. State and local governments may wish to provide funding to facilitate local growth and investment opportunities. Also, various public and private utilities (such as Electric Transmission, Water/ Sewer facilities, Fiber Optic/copper communications, etc.) may wish to contribute funds for the opportunity to obtain an easement for placing their utility within the rail corridor. Also, a shared construction cost can be assessed if their facilities are simultaneously installed with the rail construction. These funding resources would need to be studied and developed.
5	Transportation Infrastructure Finance and Innovation Act(TIFIA)	TEA-21, DOT	DOT	$10.6 Billion	Secured loans, Loan guarantees, and Standby lines of credit	The TIFIA will provide credit assistance to major transportation investments of critical national importance, such as intermodal facilities, border crossing infrastructure, expansion of multi-State highway trade corridors, and other investments with regional and national benefits. The TIFIA credit program is designed to fill market gaps and leverage substantial private co-investment by providing supplemental and subordinate capital. Any type of project that is eligible for Federal assistance through surface transportation programs under Title 23 or chapter 53 of Title 49 USC is eligible including "... rail facilities and vehicles; publicly owned intermodal freight transfer facilities on or adjacent to the National Highway System. The project must cost $100 million or be 50% of the State's annual apportionment of Federal Aid funds, whichever is less. The project also must be user supported and be included in the State Transportation plan.
6	Congestion Mitigation and Air Quality Improvement Program (CMAQ)	TEA-21, DOT	FHWA/State DOT	based on FHWA Formula/State Apportionment	Reimbursement/ Matching of Federal Aid funds	The CMAQ funds are typically used on projects and programs in air-quality non-attainment areas to reduce transportation-related emissions. These funds have also been used in various States to fund truck to rail transportation conversions due to the reduced congestion benefits. Typical Applications are handled through the Local Government Projects Engineer for UDOT and the local governing agencies.
7	Surface Transportation Program- Transportation Enhancement (STP-TE)	TEA-21, DOT	FHWA/State DOT	10% of STP funds (typically $50,000 to $500,000 per project - UDOT)	Reimbursement/ Matching of Federal Aid funds	Transportation enhancements (TE) are transportation-related activities that are designed to strengthen the cultural, aesthetic, and environmental aspects of the Nation's intermodal transportation system. Typical Applications are handled through the Local Government Projects Engineer for UDOT and the local governing agencies.



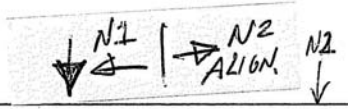
Appendix A

Aerial Map



Appendix B

Evaluation Matrix



EVALUATION MATRIX – NORTH CORRIDORS - NORTH OF YUBA HILL					
Corridor Number	1	1A	2	3	4
Selection Criteria	Mills to YH via WW	Mills to YH via Br3/WW	Juab to YH via CW	Juab to YH via CE	Juab to YH via EE
ENGINEERING					
Length (miles)	12.1	**11.4**	**12.7**	13.1	12.6
Cut (cubic yards)	N/A	1,099,000	818,500	N/A	N/A
Borrow	N/A	0	50,000	N/A	N/A
Terrain - constructibility	Rolling Hills - average.	Rolling Hills - average	Flat to rolling -average	Flat to rolling – average	Flat to rolling - average
Max. grade NB (%)	0.8	0.8	0.8	0.8	1.0
Max. grade SB (%)	1.0	1.0	1.0	1.0	1.2
Rise & fall (feet)	90 – 270	90 – 270	150 – 160	150 – 160	200 - 210
No. of curves	8	6	4	5	8
Sharpest curve (degree)	3	3	3	3	3
Total bridge length (feet)	0 + 210 = 210	0 + 210 = 210	0 + 60 = 60	0 + 60 = 60	0 + 60 = 60
Public @ grade x-ing (#)	3	2	2	2	2
Farm @ grade x-ing (#)	14	16	14	15	13
Grade separation x-ing (#)	1	1	0	0	0
Utilities	1-elec. H. Volt.	1-elec. H. Volt.	1-elec. H. Volt.	3-elec. H. Volt.	1-elec. H. Volt
Culinary Water Source Protection Area (feet)	0	0	0	0	0
Geology	Dry alluvium	Dry alluvium	Mixed wet & dry alluvium	Mixed wet & dry alluvium	Mixed wet & dry alluvium
Conceptual capital cost		**$16,044,550**	**$17,343,720**		
RIGHT-OF-WAY					
Public land (acres)	53.7	60.5	36.1	28.4	41.9
Private land (acres)	137.4	121.5	165	173.2	156.9
Irrigated land (acres)	17.4	**10.0**	**48.0**	49.6	67.0
Non-irrigated land (acres)	149.9	160.9	112.1	116.3	82.6
ENVIRONMENTAL					
Prime, unique, important farmlands (acres)	29 acres	**36 acres**	**43 acres**	60 acres	50 acres
Farmland fragmentation (linerar distance traversed)	4,000 ft – transverse 4,000 ft – parallel boundaries	**3,200 ft – transverse 3,000 ft – transverse adjacent to road**	**22,800 ft – transverse 10,800 ft parallel boundaries**	23,200 ft – transverse 16,000 ft parallel boundaries	4,000 ft transverse 26000 ft parallel boundaries
Grazing (linear feet of potential conflict between livestock and water source)	43,600 ft.	44,000 ft.	34,000 ft.	34,000 ft.	16,000 ft.

EVALUATION MATRIX – NORTH CORRIDORS - NORTH OF YUBA HILL					
Corridor Number	1	IA	2	3	4
Selection Criteria	Mills to YH via WW	Mills to YH via Br3/WW	Juab to YH via CW	Juab to YH via CE	Juab to YH via EE
Noise and vibration (number w/in 1,000 feet of corridor of receivers)	1 Residence	1 Residence	0 Residences	0 Residences	0 Residences
Air quality (estimated number of receivers w/in 0.5 mile of load-out site)	4 Residences	4 Residences	0 Residences	0 Residences	0 Residences
Parks and Recreation (direct take and indirect effects such as access conflicts, noise, ambient change)	Yuba State Park– access conflicts (2 points) and noise at Painted Rocks area	Yuba State Park– access conflicts (2 points) and noise at Painted Rocks area	Yuba State Park– access conflicts (2 points) and noise at Painted Rocks area	Yuba State Park– access conflicts (2 points) and noise at Painted Rocks area	Yuba State Park– access conflicts (2 points) and noise at Painted Rocks area
Geologic hazards (linear feet)	0	0	0	0	0
Known hazardous waste (number of known sites)	0	0	0	0	0
Municipal wells (number of protection zones traversed)	0	0	0	0	0
High ground water (linear feet)	0	0	25,300 ft	22,200 ft	22,200 ft
Surface water – number of active stream crossings	1	1	4	4	5
Surface water - linear feet w/in zone of influence	6,800 ft (Chriss Cr)	6,800 ft (Chriss Cr)	2,600 ft (Chicken Cr)	2,600 ft (Chicken Cr.)	2,600 ft (Chicken Cr)
Wetlands (acres)	0 acres	0 acres	30 acres	35 acres	35 acres
Big game critical and important winter range (acres)	0 acres	0 acres	0 acres	0 acres	0 acres
Big game movement conflicts	0	0	From foothills of San Pitch Mt to farmlands – appr. 1 mi conflict	From foothills of San Pitch Mt to farmland - appr. 1 mi conflict	From foothills of San Pitch Mt to farmlands – appr. 1 mi conflict
Known Raptor nesting (# nests w/in 0.5 mile) Other important wildlife habitat (linear feet)	0 40,000 ft open steppe good raptor habitat	0 45,000 ft open steppe good raptor habitat	0 18,000 ft open steppe good raptor habitat	0 18,000 ft open steppe good raptor habitat	0 11,000 ft open steppe good raptor habitat
T&E	Least chub – 1 stream crossing	0	Appr. 1,500 ft willow flycatcher (riparian) Appr. 30 acres Ute Ladies'-tresses habitat	Appr. 1,500 ft willow flycatcher (riparian) Appr. 35 acres Ute Ladies'-tresses habitat	Appr. 1,500 ft willow flycatcher (riparian) Appr. 35 acres Ute Ladies'-tresses habitat

EVALUATION MATRIX – NORTH CORRIDORS - NORTH OF YUBA HILL

Corridor Number	1	1A	2	3	4
Selection Criteria	Mills to YH via WW	Mills to YH via Br3/WW	Juab to YH via CW	Juab to YH via CE	Juab to YH via EE
			(wetlands)	(wetlands)	(wetlands)
Cultural Resources – Archaeological (relative severity)	3 (town of Mills - middens and old UPRR sites)	3 (town of Mills - middens and old UPRR sites)	3.5 (Chicken Cr. Wetlands- Fremont village site potential)	4 (Chicken Cr. Wetlands- Fremont village site potential: Juab overland trail station and old RR town)	3.5 (Chicken Cr. Wetlands- Fremont village site potential)
Cultural Resources – Historic Structures/4(f) (relative severity) Cultural Resources – Paleontological (relative severity)	2 (old structures in town of Mills) 2	2 (old structures in town of Mills) 2	2 (historic structures associated with Juab overland trail station and old RR town) 2	2.5 (historic structures associated with Juab overland trail station and old RR town) 2	2 (historic structures associated with Juab overland trail station and old RR town) 2
Conceptual mitigation cost	Farmlands $9,000 Cultural $50,000 Wetlands $ 0 Wildlife $10,000 Erosion Control $51,000 Revegetation $34,000 Total $154,000	Farmlands $7,000 Cultural $50,000 Wetlands $ 0 Wildlife $2,000 Erosion Control $40,000 Revegetation $24,000 Total $123,000	Farmlands $38,000 Cultural $100,000 Wetlands $ 1,500,000 Wildlife $ 25,000 Erosion Control $58,000 Revegetation $34,000 Total $1,755,000	Farmlands $ 44,000 Cultural $150,000 Wetlands $1,750,000 Wildlife $ 25,000 Erosion Control $56,000 Revegetation $32,000 Total $2,050,000	Farmlands $34,000 Cultural $100,000 Wetlands $1,750,000 Wildlife $ 25,000 Erosion Control $57,000 Revegetation $33,000 Total $2,000,000

ENVIRONMENTAL – POTENTIAL IMPACT SEVERITY RATING - SOUTH CORRIDORS – SOUTH OF YUBA HILL

Selection Criteria	YH to Sigurd via WW/ WW1 (#1-1)	YH to Salina via WW/ WW2 (#1-2)	YH to Sigurd via WW/ Br2/Br1/WW1 (#1A-1)	YH to Salina via WW/ Br2/Br1/WW2 (#1A-2)	YH to Salina via WW/Br2/CW (#1A-3)	YH to Salina via CW (#2)	YH to Sigurd via CW/Br1/WW1 (#2A-1)	YH to Salina via CW/Br1/WW2 (#2A-2)	YH to Salina via CE (#3)	YH to Salina via EE (#4)
Prime, unique, important farmlands	2	2	2	2	2	3	2	2	3	3
Farmland fragmentation	2	2	2	2.5	2	2.5	3	3.5	4	3.5
Grazing Conflicts	2	2	2	2	2	2	2	2	2	2
Noise and vibration	1	1	1	1	1	2	2	2	2	1
Air Quality	1	1	1	1	1	1	1	1	1	1
Parks and Recreation	3	0	3	0	0	0	3	0	0	0
Geologic hazards	0	0	0	0	0	1	1	1	1	1
Known hazardous waste	1	0	1	0	0	0	1	0	0	1
High ground water	2	2	2	2	2	3	3	3	4	2
Municipal wells	1	0	1	0	0	1	1	1	1	1
Surface water – number of active stream crossings	2	3	2	3	3	4	3	4	2	2
Surface water - linear feet w/in zone of influence	3	3	3	3	4	4	3	3	3	3
Wetlands	2	2	2	2	2	4	4	4	4	3
Big game critical and important winter range	2	2	2	2	2	1	1	1	1	1
Big game movement conflicts	2	2	2	2	2	3.5	3	3	1	2
Known Raptor nesting	2	2	2	2	2	2	2	2	2	2
Other important wildlife habitat	2	2	2	2	2	3	2.5	2.5	2.5	2
T&E	2	2	2	2	2	3	3.5	3.5	3	3
Cultural Resources – Archaeological	2.5	3	2.5	3	3.5	4	3.5	4	4	3.5
Cultural Resources – Historic Structures/4(f)	2	2	2	2	2	3	2.5	2.5	3	2
Cultural Resources – Paleontological	2	2	2	2	2	2	2	2	3	3
Conceptual Mitigation costs ($000)	$580	$662	$612	$709	$864	$3,420	$3,201	$3,307	$3,072	$2,085

[1]Severity Rating Index:

5 = Red Flag. The affected resource could be impacted to the extent that would jeopardize further viability or existence within the general area or beyond. No feasible mitigation strategies could resolve conflicts.

4= Significant Conflict. The affected resource could be significantly impacted. Every opportunity must be taken to avoid impacts as feasible. Extensive mitigation measures to minimize impacts can be anticipated.

3= Moderate to Substantial Conflict. The affected resource could be substantially impacted. Extensive avoidance and minimization of conflicts will need to be considered. Extensive mitigation may be required.

2= Minor to Moderate Conflict. The affected resource could be moderately impacted. Such impacts will need to be minimized during further alternative analysis. Design considerations may be needed to alleviate conflicts.

1= Limited to Minor Conflict. The resource could be affected, but impacts would likely be limited in quantity, intensity, and/or context. Some mitigation may be necessary to alleviate concerns.

ENVIRONMENTAL – CHOOSING BY ADVANTAGES EVALUATION[1]
SOUTH CORRIDORS – SOUTH OF YUBA HILL

Selection Criteria	YH to Sigurd via WW/ WW1 (# 1-1)	YH to Salina via WW/ WW2 (# 1-2)	YH to Sigurd via WW/ Br2/Br1/WW1 (# 1A-1)	YH to Salina via WW/ Br2/Br1/WW2 (# 1A-2)	YH to Salina via WW/Br2/CW (# 1A-3)	YH to Salina via CW (# 2)	YH to Sigurd via CW/Br1/WW1 (# 2A-12)	YH to Salina via CW/Br1/WW2 (# 2A-2)	YH to Salina via CE (#3)	YH to Salina via EE (#4)
Prime, unique, important farmlands	80	71	72	64	53	26	44	38	0	26
Farmland fragmentation	90	85	88	84	89	76	71	55	0	43
Grazing Conflicts	0	0	0	0	0	10	10	10	10	10
Noise and vibration	58	65	55	60	65	36	26	31	0	51
Air Quality	10	0	10	0	0	0	10	0	0	0
Parks and Recreation	0	70	0	70	70	70	0	70	70	70
Geologic hazards	15	15	15	15	15	0	0	0	0	0
Known hazardous waste	7	15	7	15	15	15	7	15	15	0
High ground water	50	45	50	45	37	11	25	21	0	31
Municipal wells	5	10	5	10	10	5	0	5	0	0
Surface water – number of active stream crossings	45	14	28	14	21	24	31	17	38	35
Surface water - linear feet w/in zone of influence	41	41	41	41	16	29	53	53	54	60
Wetlands	100	96	100	96	96	0	4	4	16	48
Big game critical and important winter range	0	0	0	0	0	40	40	40	33	33
Big game movement conflicts	26	36	26	36	42	39	60	58	65	55
Known Raptor nesting	0	0	0	0	0	0	0	0	0	0
Other important wildlife habitat	15	30	22	40	40	22	10	29	33	24
T&E	75	70	75	70	70	0	5	3	15	37
Cultural Resources – Archaeological	60	40	60	40	35	0	15	10	0	30
Cultural Resources – Historic Structures/4(f)	20	20	20	20	20	0	10	10	0	20
Cultural Resources – Paleontological	15	15	15	15	15	15	15	15	7	0
Total CBA Evaluation Points	**617**	**663**	**594**	**660**	**639**	**403**	**396**	**449**	**349**	**523**
Conceptual Mitigation costs ($000)	$580	$662	$612	$709	$864	$3,420	$3,201	$3,307	$3,072	$2,085

[1]Choosing By Advantage (CBA) Evaluation is based on advantages between alternatives. Weighting is based on resource parameter that provides the best and most advantageous within the resource category. Wetlands were determined to have advantages among the alternatives that provided the most advantage. Thus, this resource parameter has been determined paramount with an index of 100. All other resource categories are then weighted in relation to this category. The higher the total score, the more advantageous the alternative.

Evaluation Matrix – South Corridors – South Of Yuba Hill

Selection Criteria	YH to N. Sigurd via WW/ WW1	YH to Salina via WW/ WW2	YH to Sigurd via WW/ Br2/Br1/WW1	YH to Salina via WW/ Br2/Br1/WW2	YH to Salina via WW/ Br2/CW	YH to Salina via CW	YH to N. Sigurd via CW/ Br1/WW1	YH to Salina via CW/ Br1/WW2	YH to Salina via CE	YH to Salina via EE
ENGINEERING										
Length (miles)	**33.3**	30.1	33.7	30.5	**30.0**	**30.6**	**34.3**	31.0	30.0	**32**
Cut (cubic yards)	3,664,000	N/A	N/A	N/A	3,280,000	2,701,000	2,793,497	N/A	N/A	4,075,000
Borrow	0	N/A	N/A	N/A	0	0	0	N/A	N/A	600,000
Terrain - constructability	Side hill drainage – average	Flat & side hill drainage – average	Side hill drainage – average	Flat & side hill drainage – average	Flat & side hill drainage – average	Flat to rolling – above average	Flat & side hill drainage – average	Flat to rolling – above average	Generally flat – good	Flat to high hills – more difficult
Max. grade NB (%)	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	1.0
Max. grade SB (%)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.5
Rise & fall (feet)	110/320	210/290	200/410	300/380	245/295	215/265	170/350	245/320	170/220	350/410
No. of curves	17	15	19	17	18	19	20	18	19	19
Sharpest curve (degree)	3	3	3	3	3	3	3	3	3	4
Total bridge length (feet)	600 + 220	600+ 340	600+ 220	600 + 340	600+ 340	0 + 610	0 + 490	0 + 610	0 + 400	0 + 720
Public @ grade x-ing (#)	7	6	9	8	6	10	12	11	12	14
Farm @ grade x-ing (#)	37	35	32	30	29	37	41	39	26	24
Grade separation x-ing (#)	1	1	1	1	1	1	1	1	1	4
Utilities										
Culinary Water Source Protection Area (feet)	5594.0	0	5594.0	0	0	23090.0	28684.0	23090.0	26580.0	6955.0
Geology	Side hill alluvium	Side hill alluvium	Side hill alluvium	Side hill alluvium	Side hill alluvium	Valley alluvium	Side hill alluvium	Mostly valley alluvium	Valley alluvium	Side hill alluvium with soft rock
Conceptual capital cost	**$47,777,580**				**$45,432,090**	**$44,733,600**	**$46,889,500**			**$51,414,890**
RIGHT-OF-WAY										
Public land (acres)	331.9	299.2	302.2	266.9	235.9	65.5	116.3	78.7	53.3	146.9
Private land (acres)	282.9	255.9	314.3	287.5	291.9	401.4	415.7	394.6	400	386.5
Irrigated land (acres)	**112.5**	112.1	133.4	133.0	**151.2**	**143/27.8**	**153.0**	152.7	154.0	**116.5**
Non-irrigated land (acres)	315.7	269.3	294.1	247.7	216.9	199.4	276.6	230.2	217.1	291.4
ENVIRONMENTAL										
Prime, unique, important farmlands (acres)	**46 acres**	68 acres	66 acres	85 acres	**113 acres**	**179 acres**	**136 acres**	151 acres	244 acres	**180 acres**
Farmland fragmentation (relative severity)	4,000 ft transverse 40,400 ft	4,000 ft transverse 12,000 ft parallel to boundaries	5,200 ft transverse 40,400 ft	5,200 ft transverse 12,000 ft parallel to boundaries	1,200 ft transverse 22,000 ft parallel to boundaries	6,400 ft transverse 28,800 ft parallel to boundaries	11,200 ft transverse 9,200 ft parallel to boundaries	10,800 ft transverse 24,000 ft parallel to boundaries	29,600 ft transverse 12,800 ft transverse to roads 52,800 ft parallel to boundaries	10,400 ft transverse 34,800 ft transverse to adjacent roads
Grazing Conflicts (linear feet of potential conflict between livestock and water source)	9		10							
Noise and vibration (approx. number w/in 1,000 feet of corridor of receivers)		40,400 ft 6		40,400 ft 8	40,400 ft 6	36,000 ft 18	36,000 ft 22	36,000 ft 20	36,000 ft 33	36,000 ft 12
Air quality (estimated number of receivers w/in 0.5 mile of load-out site)	4	10	4	10	10	10	4	10	10	10
Parks and Recreation (direct take and indirect effects such as access conflicts, noise, ambient change)	Possible direct effect and indirect on Aurora West Park	0	Possible direct effect and indirect on Aurora West Park	0	0	0	Possible direct effect and indirect on Aurora West Park	0	0	0
Geologic hazards (linear feet)	0	0	0	0	0	14,500 ft	14,500 ft	14,500 ft	14,500 ft	14,500 ft
Known hazardous waste (linear feet) (relative severity)	1 closed landfill	0	1 closed landfill	0	0	0	1 closed landfill	0	0	2 closed landfills
Municipal wells (number of protection zones traversed)	**1**	0	1	0	0	**1**	**2**	1	2	**2**

Evaluation Matrix – South Corridors – South Of Yuba Hill

Selection Criteria	YH to N. Sigurd via WW/ WW1	YH to Salina via WW/ WW2	YH to Sigurd via WW/ Br2/Br1/WW1	YH to Salina via WW/ Br2/Br1/WW2	YH to Salina via WW/ Br2/CW	YH to Salina via CW	YH to N. Sigurd via CW/ Br1/WW1	YH to Salina via CW/ Br1/WW2	YH to Salina via CE	YH to Salina via EE
High ground water (linear feet) (relative severity)	20,000 ft	29,000 ft	20,000 ft	29,000 ft	42,000 ft	85,000 ft	62,000 ft	69,000 ft	104,000 ft	52,000 ft
Surface water – number of active stream crossings	**3 minor channels 1 moderate channel 1 major (Yuba R.)**	8 minor channels 1 moderate channel 2 major (Yuba R. and Sevier River)	8 minor channels 1 moderate channel 1 major (Yuba R.)	8 minor channels 1 moderate channel 2 major (Yuba R. and Sevier River)	**6 minor channels 1 moderate channel 2 major (Yuba R. and Sevier River)**	**3 minor channels 2 moderate channel 2 major (Sevier R. twice)**	**5 minor channels 2 moderate channel 1 major (Sevier River)**	5 minor channels 2 moderate channel 2 major (Sevier R. twice)	5 minor channels 3 moderate channel 0 major	**6 minor channels 3 moderate channel 0 major**
Surface water - linear feet w/in zone of influence	**23,600 ft (Yuba Res.)**	23,600 ft (Yuba Res.)	23,600 ft (Yuba Res.)	23,600 ft (Yuba Res.)	**23,600 ft (Yuba Res.) 13,400 ft (Sevier R)**	**8,700 ft (Yuba Res.) 21,500 ft (Sevier R)**	**8,700 ft (Yuba Res.) 8,600 ft (Sevier R)**	8,700 ft (Yuba Res.) 8,600 ft (Sevier R)	8,700 ft (Yuba Res.) 8,200 ft (Sevier R)	**8,700 ft (Yuba Res.) 5,300 ft (Sevier R)**
Wetlands (acres) (relative severity)	**2 acres**	4 acres	2 acres	4 acres	**4 acres**	**52 acres**	**50 acres**	50 acres	44 acres	**28 acres**
Big game critical and important winter range (acres)	160 acres	160 acres	160 acres	160 acres	160 acres	50 acres	50 acres	50 acres	70 acres	70 acres
Big game movement	Winter Range in Valley Mts to ag fields (appr 15 mi)	Winter Range in Valley Mts to ag fields (appr 12 mi)	Winter Range in Valley Mts to ag fields (appr 15 mi)	Winter Range in Valley Mts to ag fields (appr 12 mi)	Winter Range in Valley Mts to ag fields (appr 10 mi)	Winter Range in San Pitch Mts to ag fields (appr 3 mi) ; 21,000 ft in Sevier R area	Winter Range in San Pitch Mts to ag fields (appr 3 mi) ; 3 mi in Valley Mts; 8,600 ft in Sevier R area	Winter Range in San Pitch Mts to ag fields (appr 3 mi); 8,600 ft in Sevier R area	Winter Range in San Pitch Mts to ag fields (appr 3 mi)	Winter Range in San Pitch Mts to ag fields (appr 7 mi)
Known Raptor nesting (# nests w/in 0.5 mile)	1	1	1	1	1	1	1	1	1	1
Other important wildlife habitat (linear feet) (relative severity)	92,000 ft open steppe good raptor habitat	62,500 ft open steppe good raptor habitat	78,000 ft open steppe good raptor habitat	42,000 ft open steppe good raptor habitat	42,000 ft open steppe good raptor habitat	56,000 ft open steppe good raptor habitat; 21,000 ft in Sevier R. area	100,000 ft open steppe good raptor habitat; 8,000 ft in Sevier R. area	56,000 ft open steppe good raptor habitat; 8,000 ft in Sevier R. area	48,000 ft open steppe good raptor habitat; 8,000 ft in Sevier R. area	68,000 ft open steppe good raptor habitat; 5,000 ft in Sevier R. area
T&E Conflicts (still to be determined) Possibly Utah Praire Dog, Bald Eagle, S.W. Willow Flycatcher, Ute Ladies'-tresses	- Approx. 2 acres Ute Ladies'-tresses	Approx. 300 ft willow flycatcher (riparian) Approx. 4 acres Ute Ladies'-tresses	- Approx. 2 acres Ute Ladies'-tresses	Approx. 300 ft willow flycatcher (riparian) Approx. 4 acres Ute Ladies'-tresses	Approx. 300 ft willow flycatcher (riparian) Approx. 4 acres Ute Ladies'-tresses	Approx. 1,000 ft willow flycatcher (riparian) Approx. 48 acres Ute Ladies'-tresses	Approx. 700 ft willow flycatcher (riparian) Approx. 46 acres Ute Ladies'-tresses	Approx. 1,000 ft willow flycatcher (riparian) Approx. 46 acres Ute Ladies'-tresses	Approx. 300 ft willow flycatcher (riparian) Approx. 40 acres Ute Ladies'-tresses	Approx. 200 ft willow flycatcher (riparian) Approx. 25 acres Ute Ladies'-tresses
Cultural Resources – Archaeological (relative severity)	2.5 possibly small prehistoric campsites, scatters, quarries, small habitation sites	3 possibly small prehistoric campsites, scatters, quarries, small habitation sites' Higher expectation in the valley.	2.5 possibly small prehistoric campsites, scatters, quarries, small habitation sites	3 possibly small prehistoric campsites, scatters, quarries, small habitation sites' Higher expectation in the valley.	3.5 substantial increase in potential for Fremont buried sites, and historical buried sites (privies, dumps, etc)	4 substantial potential for large Fremont buried sites – much of route is in Sevier R. zone, and historical buried sites (privies, dumps, etc)	3.5 substantial increase in potential for Fremont buried sites, and historical buried sites (privies, dumps, etc)	4 substantial potential for large Fremont buried sites – much of route is in Sevier R. zone, and historical buried sites (privies, dumps, etc)	4 substantial potential for large Fremont buried sites – much of route is in Sevier R. zone, and historical buried sites (privies, dumps, etc)	3.5 potential for Fremont buried sites, when in Valley and historical buried sites (privies, dumps, etc). Less on Foothills
Cultural Resources – Historic Structures/4(f) (relative severity)	2- scattered historic farmsteads/ a few canals and other features	2- a few more scattered historic farmsteads / a few canals and other features	2- a few more scattered historic farmsteads / a few canals and other features	2- a few more scattered historic farmsteads / a few canals and other features	2- a few more scattered historic farmsteads / a few canals and other features	3- high potential for historic farmsteads, canals and other features	2.5 increased potential of historic structures, canals and landscape features	2.5 increased potential of historic structures, canals and landscape features	3- high potential for historic farmsteads, canals and other features)	2 a few possible scattered historic structures. Possibly canals and other features
Cultural Resources – Paleontological (relative severity)	Limited distance of Type 1 formations	Limited distance of Type 1 formations	Limited distance of Type 1 formations	Limited distance of of Type 1 formations	Limited distance of of Type 1 formations	Limited distance of Type 1 formations	Limited distance of Type 1 formations	Limited distance of Type 1 formations	More than 0.5 miles of Type 1 formations	More than 1 mile of Type 1 formations
Conceptual Mitigation costs	Farmlands $5,000 Cultural $150,000 Wetlands $100,000 Wildlife $8,000 Erosion Control $237,000 Revegetation $80,000 Total $580,000	Farmlands $18,000 Cultural $150,000 Wetlands $200,000 Wildlife $ 15,000 Erosion Control $207,000 Revegetation $72,000 **Total $662,000**	Farmlands $6,000 Cultural $150,000 Wetlands $100,000 Wildlife $13,000 Erosion Control $237,000 Revegetation $86,000 **Total $612,000**	Farmlands $20,000 Cultural $150,000 Wetlands $200,000 Wildlife $15,000 Erosion Control $247,000 Revegetation $77,000 **Total $709,000**	Farmlands $26,000 Cultural $300,000 Wetlands $200,000 Wildlife $15,000 Erosion Control $250,000 Revegetation $73,000 Total $864,000	Farmlands $40,000 Cultural $450,000 Wetlands $2,600,000 Wildlife $ 42,000 Erosion Control $218,000 Revegetation $74,000 Total $3,420,000	Farmlands $23,000 Cultural $350,000 Wetlands $2,500,000 Wildlife $50,000 Erosion Control $195,000 Revegetation $83,000 Total $3,201,000	Farmlands $40,000 Cultural $450,000 Wetlands $2,500,000 Wildlife $ 40,000 Erosion Control $200,000 Revegetation $77,000 **Total $3,307,000**	Farmlands $94,000 Cultural $450,000 Wetlands $2,200,000 Wildlife $36,000 Erosion Control $219,000 Revegetation $73,000 **Total $3,072,000**	Farmlands $15,000 Cultural $350,000 Wetlands $1,400,000 Wildlife $30,000 Erosion Control $213,000 Revegetation $77,000 Total $2,085,000

ENVIRONMENTAL – CHOOSING BY ADVANTAGES EVALUATION[1] NORTH CORRIDORS – NORTH OF YUBA HILL					
Selection Criteria	Mills to YH via WW	Mills to YH via Br3/WW	Juab to YH via CW	Juab to YH via CE	Juab to YH via EE
ENVIRONMENTAL	#1	#1A	#2	#3	#4
Prime, unique, important farmlands	45	35	25	0	14
Farmland fragmentation	77	80	2	0	77
Grazing conflicts	1	0	12	12	35
Noise and Vibration	0	0	5	5	5
Air quality	0	0	5	5	5
Parks and Recreation	0	0	0	0	0
Geologic hazards	0	0	0	0	0
Known hazardous waste	0	0	0	0	0
Municipal wells	0	0	0	0	0
High ground water	50	50	0	10	10
Surface water – number of active stream crossings	15	15	4	4	0
Surface water - linear feet w/in zone of influence	15	15	6	6	6
Wetlands	100	100	10	0	0
Big game critical and important winter range	0	0	0	0	0
Big game movement conflicts	15	15	0	0	0
Known Raptor nesting	0	0	0	0	0
Other important wildlife habitat	4	0	24	24	30
T&E	68	70	8	0	0
Cultural Resources – Archaeological	15	15	5	0	5
Cultural Resources – Historic Structures/4(f)	5	5	5	0	5
Cultural Resources – Paleontological	0	0	0	0	0
Total CBA Evaluation Points	**410**	**400**	**111**	**66**	**192**
Conceptual mitigation cost ($000)	$154	$123	$1,755	$2,050	$2,000

[1]Choosing By Advantage (CBA) Evaluation is based on advantages between alternatives. Weighting is based on resource parameter that provides the best and most advantageous within the resource category. Wetlands were determined to have advantages among the alternatives that provided the most advantage. Thus, this resource parameter has been determined paramount with an index of 100. All other resource categories are then weighted in relation to this category. The higher the total score, the more advantageous the alternative.

ENVIRONMENTAL – POTENTIAL IMPACT SEVERITY RATING[1] NORTH CORRIDORS – NORTH OF YUBA HILL					
Selection Criteria	Mills to YH via WW	Mills to YH via Br3/WW	Juab to YH via CW	Juab to YH via CE	Juab to YH via EE
ENVIRONMENTAL	#1	#1A	#2	#3	#4
Prime, unique, important farmlands	2	2	2	2	2
Farmland fragmentation	2	2	3	3	2.5
Grazing conflicts	2	2	2	2	1
Noise and Vibration	1	1	0	0	0
Air quality	1	1	0	0	0
Parks and Recreation	1	1	1	1	1
Geologic hazards	0	0	0	0	0
Known hazardous waste	0	0	0	0	0
Municipal wells	0	0	0	0	0
High groundwater	0	0	2	2	2
Surface water – number of active stream crossings	1	1	2	2	2
Surface water - linear feet w/in zone of influence	1	1	2	2	2
Wetlands	0	0	3	3	3
Big game critical and important winter range	0	0	0	0	0
Big game movement conflicts	0	0	1	1	1
Known Raptor nesting	0	0	0	0	0
Other important wildlife habitat	2	2	1	1	1
T&E	3	0	3	3	3
Cultural Resources –Archaeological	3	3	3.5	4	3.5
Cultural Resources – Historic Structures/4(f)	2	2	2	2.5	2
Cultural Resources – Paleontological	2	2	2	2	2
Conceptual mitigation cost ($000)	$154	$123	$1,755	$2,050	$2,000

[1]Severity Rating Index:

5 = Red Flag. The affected resource could be impacted to the extent that would jeopardize further viability or existence within the general area or beyond. No feasible mitigation strategies could resolve conflicts.

4= Significant Conflict. The affected resource could be significantly impacted. Every opportunity must be taken to avoid impacts as feasible. Extensive mitigation measures to minimize impacts can be anticipated.

3= Moderate to Substantial Conflict. The affected resource could be substantially impacted. Extensive avoidance and minimization of conflicts will need to be considered. Extensive mitigation may be required.

2= Minor to Moderate Conflict. The affected resource could be moderately impacted. Such impacts will need to be minimized during further alternative analysis. Design considerations may be needed to alleviate conflicts.

1= Limited to Minor Conflict. The resource could be affected, but impacts would likely be limited in quantity, intensity, and/or context. Some mitigation may be necessary to alleviate concerns.

Appendix C

Construction Estimates

Final Cost Estimate for Southern Primary Corridor 4 (YH to Salina via EE)

Item No.	Description	Units	Estimated Unit Cost $	Quantity	Extension of Cost $
1	Right-of-Way				
	Public -rangeland	Acre	300	147	$44,100
	Private -irrigated	Acre	2,500	117	$292,500
	Private -pasture	Acre	1,100	0.0	0
	Private -dry farm	Acre	500	291	$145,500
2	Clearing, Grubbing	Acre	2,500	387	$967,500
3	Excavation				
	Common	CY	2.00	4,025,000	$8,050,000
	Ripable Rock	CY	4.00	50,000	$200,000
4	Borrow	CY	2.50	600,000	$1,500,000
5	Drainage	LS	2,500,000	1	$2,500,000
6	Revegetation	Acre	750	278	$208,500
7	Fencing	LF	2	338,000	$676,000
8	Bridges				
	> 30' height	LF	6,000	0	0
	< 30' height (including Grade Separations)	LF	5,000	720	$3,600,000
9	Track (133 lb. rail)	LF	90.00	169,000	$15,210,000
10	Turnouts	Ea.	85,000	0	0
11	Sidings	Ea	800,000	1	$800,000
12	Yard Tracks	LF	70	5,000	$350,000
13	Signal/communications	LS	500,000	1	$500,000
14	Road Crossings				
	Public Signaled	Ea.	100,000	7	$700,000
	Public Non-signaled	Ea.	20,000	6	$120,000
	Farm-Non-signaled	Ea.	3,000	24	$72,000
15	Environmental - Mitigation	LS	2,085,000	1	$2,085,000
16	Other	LS	64,000	1	$64,000
	Sub Total $				**$38,085,100**
	Engineering, C.M., & Mobilization @15%				$5,712,770
	Conting. @ 20%				$7,617,020
	GRAND TOTAL $$				**$51,414,890**

Final Cost Estimate for North Primary Corridor 2 (Juab to YH via CW)

Item No.	Description	Units	Estimated Unit Cost $	Quantity	Extension of Cost $
1	Right-of-Way				
	Public -rangeland	Acre	300	36	$10,800
	Private -irrigated	Acre	2,500	48	$120,000
	Private -pasture	Acre	1,100	0.0	0
	Private -dry farm	Acre	500	112	$56,000
2	Clearing, Grubbing	Acre	2,500	125	$312,500
3	Excavation				
	Common	CY	2.00	818,500	$1,637,000
	Ripable Rock	CY	4.00		0
4	Borrow	CY	2.50	50,000	$125,000
5	Drainage	LS	200,000	1	$200,000
6	Revegetation	Acre	750	82	$61,500
7	Fencing	LF	2	134,200	$268,400
8	Bridges				
	> 30' height	LF	6,000	0	0
	< 30' height (including Grade Separations)	LF	5,000	60	$300,000
9	Track (133 lb. rail)	LF	90.00	67,100	$6,039,000
10	Turnouts	Ea.	85,000	3	$255,000
11	Sidings	Ea	800,000	0	0
12	Yard Tracks	LF	70	6,000	$420,000
13	Signal/communications	LS	910,000	1	$910,000
14	Road Crossings				
	Public Signaled	Ea.	100,000	3	$300,000
	Public Non-signaled	Ea.	20,000	0	0
	Farm-Non-signaled	Ea.	3,000	14	$42,000
15	Environmental - Mitigation	LS	1,755,000	1	$1,755,000
16	Other	LS	35,000	1	$35,000
	Sub Total $				**$12,847,200**
	Engineering, C.M., & Mobilization @15%				$1,927,080
	Conting. @ 20%				$2,569,440
	GRAND TOTAL $$				**$17,343,720**

Final Cost Estimate for Southern Primary Corridor 1-1 (YH to Sigurd via WW/WW1)

Item No.	Description	Units	Estimated Unit Cost $	Quantity	Extension of Cost $
1	Right-of-Way				
	Public -rangeland	Acre	300	332	$99,600
	Private -irrigated	Acre	2,500	113	$282,500
	Private -pasture	Acre	1,100	0.0	0
	Private -dry farm	Acre	500	316	$158,000
2	Clearing, Grubbing	Acre	2,500	417	$1,042,500
3	Excavation				
	Common	CY	2.00	3,664,000	$7,328,000
	Ripable Rock	CY	4.00		0
4	Borrow	CY	2.50	0	0
5	Drainage	LS	2,300,000	1	$2,300,000
6	Revegetation	Acre	750	304	$228,000
7	Fencing	LF	2	351,600	$703,200
8	Bridges				
	> 30' height		6,000	600	$3,600,000
	< 30' height (including Grade Separations)		5,000	220	$1,100,000
9	Track (133 lb. rail)	LF	90.00	175,800	$15,822,000
10	Turnouts	Ea.	85,000	0	0
11	Sidings	Ea	800,000	1	$800,000
12	Yard Tracks	LF	70	5,000	$350,000
13	Signal/communications	LS	500,000	1	$500,000
14	Road Crossings				
	Public Signaled	Ea.	100,000	0	0
	Public Non-signaled	Ea.	20,000	7	$140,000
	Farm-Non-signaled	Ea.	3,000	37	$111,000
15	Environmental - Mitigation	LS	580,000	1	$580,000
16	Other	LS	246,000	1	$246,000
	Sub Total $				**$35,390,800**
	Engineering, C.M., & Mobilization @15%				$5,308,620
	Conting. @ 20%				$7,078,160
	GRAND TOTAL $$				**$47,777,580**

Final Cost Estimate for Southern Alternate Corridor 1A-3 (YH to Salina via WW/Br2/CW)

Item No.	Description	Units	Estimated Unit Cost $	Quantity	Extension of Cost $
1	Right-of-Way				
	Public -rangeland	Acre	300	236	$70,800
	Private -irrigated	Acre	2,500	151	$377,500
	Private -pasture	Acre	1,100	0.0	0
	Private -dry farm	Acre	500	217	$108,500
2	Clearing, Grubbing	Acre	2,500	395	$987,500
3	Excavation				
	Common	CY	2.00	3,280,000	$6,560,000
	Ripable Rock	CY	4.00	0	0
4	Borrow	CY	2.50	0	0
5	Drainage	LS	2,100,000	1	$2,100,000
6	Revegetation	Acre	750	294	$220,500
7	Fencing	LF	2	316,800	$633,600
8	Bridges				
	> 30' height	LF	6,000	600	$3,600,000
	< 30' height (including Grade Separations)	LF	5,000	340	$1,700,000
9	Track (133 lb. rail)	LF	90.00	158,400	$14,256,000
10	Turnouts	Ea.	85,000	0	0
11	Sidings	Ea	800,000	1	$800,000
12	Yard Tracks	LF	70	5,000	$350,000
13	Signal/communications	LS	500,000	1	$500,000
14	Road Crossings				
	Public Signaled	Ea.	100,000	3	$300,000
	Public Non-signaled	Ea.	20,000	3	$60,000
	Farm-Non-signaled	Ea.	3,000	29	$87,000
15	Environmental - Mitigation	LS	864,000	1	$864,000
16	Other	LS	78,000	1	$78,000
	Sub Total $				**$33,653,400**
	Engineering, C.M., & Mobilization @15%				$5,048,010
	Conting. @ 20%				$6,730,680
	GRAND TOTAL $$				**$45,432,090**

Final Cost Estimate for Southern Primary Corridor 2 (YH to Salina via CW)

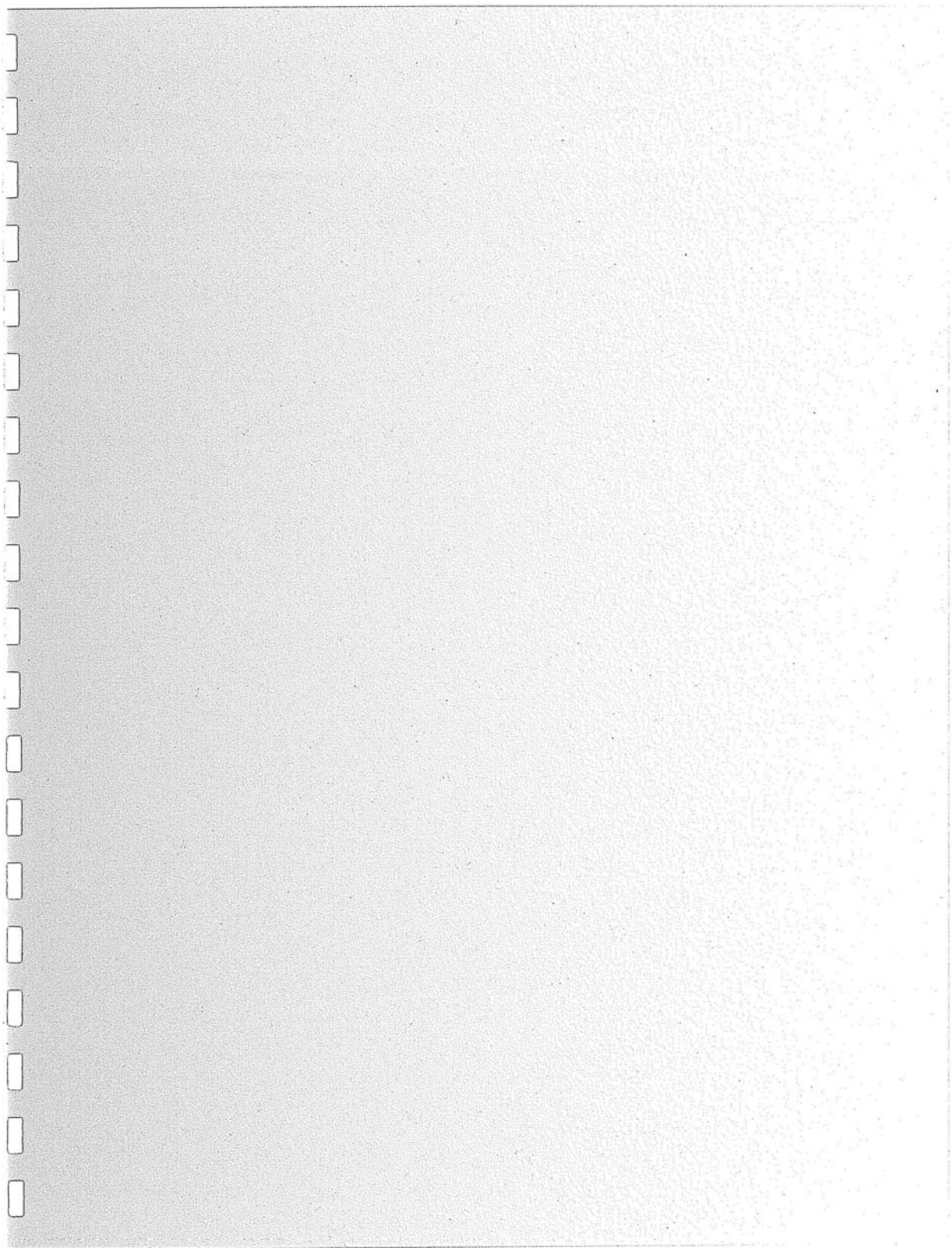
Item No.	Description	Units	Estimated Unit Cost $	Quantity	Extension of Cost $
1	Right-of-Way				
	Public -rangeland	Acre	300	66	$19,800
	Private -irrigated	Acre	2,500	143	$357,500
	Private -pasture	Acre	1,100	28	$30,800
	Private -dry farm	Acre	500	199	$99,500
2	Clearing, Grubbing	Acre	2,500	312	$780,000
3	Excavation				
	Common	CY	2.00	2,701,000	$5,402,000
	Ripable Rock	CY	4.00		0
4	Borrow	CY	2.50	0	0
5	Drainage	LS	2,000,000	1	$2,000,000
6	Revegetation	Acre	750	208	$156,000
7	Fencing	LF	2	323,200	$646,400
8	Bridges				
	> 30' height	LF	6,000	0	0
	< 30' height (including Grade Separations)	LF	5,000	610	$3,050,000
9	Track (133 lb. rail)	LF	90.00	161,600	$14,544,000
10	Turnouts	Ea.	85,000	0	0
11	Sidings	Ea	800,000	1	$800,000
12	Yard Tracks	LF	70	5,000	$350,000
13	Signal/communications	LS	500,000	1	$500,000
14	Road Crossings				
	Public Signaled	Ea.	100,000	4	$400,000
	Public Non-signaled	Ea.	20,000	6	$120,000
	Farm-Non-signaled	Ea.	3,000	37	$111,000
15	Environmental - Mitigation	LS	3,420,000	1	$3,420,000
16	Other	LS	349,000	1	$349,000
	Sub Total $				**$33,136,000**
	Engineering, C.M., & Mobilization @15%				$4,970,400
	Conting. @ 20%				$6,627,200
	GRAND TOTAL $$				**$44,733,600**

Final Cost Estimate for Southern Alternate Corridor 2A-1 (YH to Sigurd via CW/Br1/WW1)

Item No.	Description	Units	Estimated Unit Cost $	Quantity	Extension of Cost $
1	Right-of-Way				
	Public -rangeland	Acre	300	116	$34,800
	Private -irrigated	Acre	2,500	153	$382,500
	Private -pasture	Acre	1,100	0.0	0
	Private -dry farm	Acre	500	277	$138,500
2	Clearing, Grubbing	Acre	2,500	312	$780,000
3	Excavation				
	Common	CY	2.00	2,793,497	$5,586,994
	Ripable Rock	CY	4.00		0
4	Borrow	CY	2.50	0	0
5	Drainage	LS	2,100,000	1	$2,100,000
6	Revegetation	Acre	750	249	$186,750
7	Fencing	LF	2	362,200	$724,400
8	Bridges				
	> 30' height	LF	6,000	0	0
	< 30' height (including Grade Separations)	LF	5,000	490	$2,450,000
9	Track (133 lb. rail)	LF	90.00	181,100	$16,299,000
10	Turnouts	Ea.	85,000	0	0
11	Sidings	Ea	800,000	1	$800,000
12	Yard Tracks	LF	70	5,000	$350,000
13	Signal/communications	LS	500,000	1	$500,000
14	Road Crossings				
	Public Signaled	Ea.	100,000	6	$600,000
	Public Non-signaled	Ea.	20,000	6	$120,000
	Farm-Non-signaled	Ea.	3,000	41	$123,000
15	Environmental - Mitigation	LS	3,201,000	1	$3,201,000
16	Other	LS	356,000	1	$356,000
	Sub Total $				**$34,732,940**
	Engineering, C.M., & Mobilization @15%				$5,209,950
	Conting. @ 20%				$6,946,600
	GRAND TOTAL $$				**$46,889,500**

Final Cost Estimate for North Primary Corridor 1A (Mills to YH via Br3WW)

Item No.	Description	Units	Estimated Unit Cost $	Quantity	Extension of Cost $
1	Right-of-Way				
	Public -rangeland	Acre	300	61	$18,300
	Private -irrigated	Acre	2,500	10.0	$25,000
	Private -pasture	Acre	1,100	0.0	0
	Private -dry farm	Acre	500	161	$80,500
2	Clearing, Grubbing	Acre	2,500	130	$325,000
3	Excavation				
	Common	CY	2.00	1,099,000	$2,198,000
	Ripable Rock	CY	4.00		0
4	Borrow	CY	2.50	0.0	0
5	Drainage	LS	400,000	1	$400,000
6	Revegetation	Acre	750	91	$68,250
7	Fencing	LF	2	120,400	$240,800
8	Bridges				
	> 30' height	LF	6,000	0	0
	< 30' height (including Grade Separations)	LF	5,000	220	$1,100,000
9	Track (133 lb. rail)	LF	90.00	60,200	$5,418,000
10	Turnouts	Ea.	85,000	3	$255,000
11	Sidings	Ea	800,000	0	0
12	Yard Tracks	LF	70	6,000	$420,000
13	Signal/communications	LS	910,000	1	$910,000
14	Road Crossings				
	Public Signaled	Ea.	100,000	2	$200,000
	Public Non-signaled	Ea.	20,000	1	$20,000
	Farm-Non-signaled	Ea.	3,000	16	$48,000
15	Environmental - Mitigation	LS	123,000	1	$123,000
16	Other	LS	35,000	1	$35,000
	Sub Total $				**$11,884,850**
	Engineering, C.M., & Mobilization @15%				$1,782,730
	Conting. @ 20%				$2,376,970
	GRAND TOTAL $$				**$16,044,550**



Appendix D

Regional Economic Impact Model Detail

September 23, 2001

REMI Standard Reg Control
[Top]
Levels

Variable	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Employment (Thous)	19.449	19.689	19.843	20.046	20.191	20.331	20.459	20.573	20.687	20.799	20.914	20.989	21.084	21.185
GRP (Bil Chained 92$)	0.726	0.739	0.753	0.768	0.783	0.797	0.811	0.825	0.838	0.852	0.859	0.868	0.878	0.888
GRP (Bil Fixed 92$)	0.75	0.773	0.796	0.822	0.847	0.872	0.896	0.92	0.944	0.967	0.982	0.998	1.015	1.032
Pers Inc (Bil Nom $)	0.631	0.663	0.69	0.72	0.749	0.778	0.809	0.84	0.874	0.909	0.947	0.985	1.022	1.06
PCE-Price Index (Fixed 92$)	90.836	92.857	94.746	96.702	98.703	100.734	102.796	104.899	107.099	109.358	111.851	114.439	117.088	119.797
Real Disp Pers Inc (Bil Fixed 92$)	0.595	0.611	0.625	0.639	0.652	0.664	0.677	0.689	0.702	0.716	0.729	0.742	0.753	0.763
Population (Thous)	40.94	41.717	42.404	43.036	43.627	44.172	44.665	45.106	45.523	45.92	46.307	46.69	47.054	47.389
Econ Migrants	0.49	0.325	0.195	0.094	0.015	-0.068	-0.153	-0.232	-0.28	-0.315	-0.33	-0.336	-0.354	-0.377
Total Migrants	0.456	0.294	0.165	0.066	-0.014	-0.097	-0.183	-0.261	-0.307	-0.341	-0.359	-0.365	-0.382	-0.405
Labor Force	17.445	17.881	18.318	18.665	18.953	19.243	19.513	19.76	19.92	20.075	20.145	20.199	20.271	20.333
Demand (Bil Fixed 92$)	2.788	2.8	2.823	2.858	2.884	2.911	2.932	2.949	2.965	2.978	3.019	3.058	3.101	3.155
Output (Bil Fixed 92$)	2.639	2.658	2.683	2.719	2.748	2.776	2.799	2.817	2.834	2.846	2.887	2.927	2.972	3.025
Rel Prod Manuf	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599
Rel Prof Manuf	0.999	1	1	1	1	1.001	1.001	1.001	1.001	1.001	1.002	1.002	1.002	1.002
Labor Intensity	1.064	1.064	1.064	1.064	1.064	1.065	1.066	1.066	1.067	1.068	1.069	1.07	1.071	1.071
Mult Adjustment	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Indust Mix Index	0.818	0.818	0.814	0.81	0.805	0.801	0.796	0.791	0.787	0.782	0.78	0.779	0.777	0.776
Reg Pur Coeff (SS over Dem)	0.202	0.203	0.205	0.206	0.207	0.208	0.21	0.211	0.213	0.214	0.214	0.214	0.214	0.214
Imports (Bil Fixed 92$)	2.225	2.23	2.245	2.269	2.287	2.305	2.317	2.326	2.334	2.34	2.371	2.402	2.436	2.479
Self Supply (Bil Fixed 92$)	0.563	0.57	0.578	0.588	0.597	0.606	0.615	0.623	0.631	0.638	0.647	0.656	0.665	0.676
Exports US&ROW (Bil Fixed 92$)	2.076	2.088	2.105	2.131	2.15	2.169	2.184	2.195	2.203	2.208	2.24	2.271	2.307	2.35
Exports - MR (Bil Fixed 92$)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Exog Prod (Bil Fixed 92$)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wage Rate (Thous Nom$)	14.431	14.883	15.361	15.767	16.21	16.675	17.141	17.634	18.161	18.709	19.304	19.938	20.563	21.194

September 23, 2001

REMI Standard Reg Control
[Top]
Levels

Variable	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Employment (Thous)	21.273	21.359	21.437	21.503	21.572	21.628	21.675	21.699	21.704	21.707	21.7	21.689	21.689
GRP (Bil Chained 92$)	0.898	0.908	0.917	0.926	0.935	0.943	0.951	0.957	0.963	0.969	0.974	0.978	0.984
GRP (Bil Fixed 92$)	1.05	1.067	1.084	1.1	1.116	1.131	1.145	1.158	1.17	1.182	1.194	1.204	1.216
Pers Inc (Bil Nom $)	1.096	1.134	1.172	1.212	1.256	1.301	1.35	1.398	1.446	1.498	1.551	1.607	1.666
PCE-Price Index (Fixed 92$)	122.545	125.359	128.241	131.19	134.227	137.346	140.554	143.834	147.177	150.604	154.111	157.705	161.399
Real Disp Pers Inc (Bil Fixed 92$)	0.772	0.78	0.789	0.797	0.807	0.818	0.829	0.84	0.849	0.859	0.869	0.88	0.891
Population (Thous)	47.678	47.918	48.114	48.271	48.397	48.498	48.579	48.637	48.669	48.68	48.674	48.655	48.635
Econ Migrants	-0.41	-0.441	-0.464	-0.485	-0.497	-0.504	-0.508	-0.515	-0.53	-0.543	-0.554	-0.563	-0.566
Total Migrants	-0.438	-0.47	-0.494	-0.516	-0.528	-0.535	-0.539	-0.547	-0.561	-0.573	-0.584	-0.594	-0.597
Labor Force	20.393	20.435	20.464	20.484	20.508	20.52	20.531	20.551	20.582	20.628	20.668	20.709	20.749
Demand (Bil Fixed 92$)	3.204	3.255	3.304	3.352	3.403	3.451	3.498	3.54	3.579	3.618	3.653	3.683	3.722
Output (Bil Fixed 92$)	3.077	3.129	3.18	3.23	3.28	3.327	3.372	3.413	3.451	3.489	3.526	3.557	3.594
Rel Prod Manuf	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599
Rel Prof Manuf	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002
Labor Intensity	1.072	1.073	1.074	1.075	1.076	1.077	1.077	1.078	1.079	1.08	1.081	1.082	1.082
Mult Adjustment	1	1	1	1	1	1	1	1	1	1	1	1	1
Indust Mix Index	0.775	0.775	0.775	0.775	0.775	0.775	0.776	0.777	0.778	0.779	0.78	0.782	0.783
Reg Pur Coeff (SS over Dem)	0.214	0.214	0.213	0.213	0.213	0.213	0.212	0.212	0.212	0.212	0.212	0.212	0.212
Imports (Bil Fixed 92$)	2.519	2.559	2.599	2.638	2.679	2.717	2.755	2.789	2.82	2.851	2.879	2.903	2.933
Self Supply (Bil Fixed 92$)	0.685	0.695	0.705	0.714	0.724	0.734	0.743	0.752	0.759	0.767	0.774	0.781	0.789
Exports US&ROW (Bil Fixed 92$)	2.392	2.434	2.475	2.516	2.556	2.594	2.629	2.661	2.692	2.722	2.752	2.776	2.806
Exports - MR (Bil Fixed 92$)	0	0	0	0	0	0	0	0	0	0	0	0	0
Exog Prod (Bil Fixed 92$)	0	0	0	0	0	0	0	0	0	0	0	0	0
Wage Rate (Thous Nom$)	21.814	22.463	23.142	23.856	24.637	25.458	26.342	27.283	28.28	29.368	30.504	31.709	32.977

September 23, 2001

REMI Standard Reg Control
[Top]
Levels

Variable	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Employment (Thous)	21.688	21.711	21.749	21.814	21.896	21.988	22.122	22.271	22.421	22.582
GRP (Bil Chained 92$)	0.99	0.997	1.004	1.014	1.024	1.035	1.049	1.063	1.077	1.092
GRP (Bil Fixed 92$)	1.228	1.242	1.256	1.272	1.29	1.308	1.331	1.354	1.376	1.4
Pers Inc (Bil Nom $)	1.726	1.793	1.862	1.935	2.012	2.093	2.184	2.278	2.376	2.475
PCE-Price Index (Fixed 92$)	165.182	169.082	173.082	177.201	181.435	185.785	190.292	194.927	199.694	204.597
Real Disp Pers Inc (Bil Fixed 92$)	0.902	0.915	0.928	0.942	0.957	0.972	0.99	1.009	1.027	1.044
Population (Thous)	48.616	48.606	48.61	48.631	48.675	48.74	48.838	48.969	49.129	49.318
Econ Migrants	-0.568	-0.564	-0.557	-0.546	-0.532	-0.516	-0.488	-0.457	-0.43	-0.402
Total Migrants	-0.599	-0.595	-0.588	-0.577	-0.563	-0.549	-0.523	-0.495	-0.472	-0.446
Labor Force	20.787	20.839	20.888	20.938	20.982	21.01	21.052	21.099	21.138	21.174
Demand (Bil Fixed 92$)	3.764	3.811	3.855	3.913	3.978	4.037	4.12	4.202	4.279	4.368
Output (Bil Fixed 92$)	3.635	3.682	3.726	3.782	3.844	3.904	3.98	4.06	4.133	4.218
Rel Prod Manuf	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599	1.599
Rel Prof Manuf	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002
Labor Intensity	1.083	1.084	1.084	1.085	1.086	1.086	1.087	1.087	1.088	1.088
Mult Adjustment	1	1	1	1	1	1	1	1	1	1
Indust Mix Index	0.784	0.786	0.788	0.789	0.791	0.793	0.794	0.796	0.798	0.799
Reg Pur Coeff (SS over Dem)	0.212	0.212	0.212	0.211	0.211	0.211	0.211	0.211	0.21	0.21
Imports (Bil Fixed 92$)	2.967	3.004	3.039	3.085	3.137	3.184	3.251	3.317	3.378	3.451
Self Supply (Bil Fixed 92$)	0.797	0.807	0.816	0.828	0.84	0.853	0.869	0.885	0.9	0.917
Exports US&ROW (Bil Fixed 92$)	2.839	2.875	2.91	2.954	3.003	3.051	3.111	3.174	3.233	3.3
Exports - MR (Bil Fixed 92$)	0	0	0	0	0	0	0	0	0	0
Exog Prod (Bil Fixed 92$)	0	0	0	0	0	0	0	0	0	0
Wage Rate (Thous Nom$)	34.296	35.706	37.137	38.622	40.129	41.653	43.279	44.934	46.64	48.403

September 24, 2001

Regional Simulation 1 - Policy Variable Changes as Entered

Variable	Detail	Unit	Number	1999	2000	2001	2002	2003	2004	2005	2006
Employment (number)	Lumber	Thousands	1	0	0	0	0	0	0	0	0.002
Employment (number)	Stone, Clay, and Glass	Thousands	3	0	0	0	0	0	0	0	0.005
Employment (number)	Petroleum Products	Thousands	19	0	0	0	0	0	0	0	0.005
Employment (number)	Mining	Thousands	22	0	0	0	0	0	0	0	0.005
Employment (number)	Construction	Thousands	23	0	0	0	0	0	0.077	0.077	0
Employment (number)	Railroad	Thousands	24	0	0	0	0	0	0	0	0.018
Employment (number)	Trucking	Thousands	25	0	0	0	0	0	0	0	-0.108
Mining Sales (amount)	Nonmetallic Minerals, Except Fuels	1992 Fixed Local $ (000's)	T22	0	0	0	0	0	0.3	0.3	0.03

Variable	Detail	Unit	Number	2007	2008	2009	2010	2011	2012	2013	2014
Employment (number)	Lumber	Thousands	1	0.005	0.007	0.009	0.01	0.01	0.01	0.01	0.01
Employment (number)	Stone, Clay, and Glass	Thousands	3	0.011	0.024	0.034	0.034	0.034	0.034	0.034	0.034
Employment (number)	Petroleum Products	Thousands	19	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005
Employment (number)	Mining	Thousands	22	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005
Employment (number)	Construction	Thousands	23	0	0	0	0	0	0	0	0
Employment (number)	Railroad	Thousands	24	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.019
Employment (number)	Trucking	Thousands	25	-0.108	-0.108	-0.108	-0.108	-0.108	-0.108	-0.108	-0.108
Mining Sales (amount)	Nonmetallic Minerals, Except Fuels	1992 Fixed Local $ (000's)	T22	0.03	0.03	0.03	0.03	0.03	0.06	0.03	0.03

Variable	Detail	Unit	Number	2015	2016	2017	2018	2019	2020	2021	2022
Employment (number)	Lumber	Thousands	1	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Employment (number)	Stone, Clay, and Glass	Thousands	3	0.034	0.034	0.034	0.034	0.034	0.034	0.034	0.034
Employment (number)	Petroleum Products	Thousands	19	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005
Employment (number)	Mining	Thousands	22	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005
Employment (number)	Construction	Thousands	23	0	0	0	0	0	0	0	0
Employment (number)	Railroad	Thousands	24	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.019
Employment (number)	Trucking	Thousands	25	-0.108	-0.108	-0.108	-0.108	-0.108	-0.108	-0.108	-0.108
Mining Sales (amount)	Nonmetallic Minerals, Except Fuels	1992 Fixed Local $ (000's)	T22	0.03	0.03	0.03	0.03	0.03	0.06	0.03	0.03

September 24, 2001

Regional Simulation 1 - Policy Variable Changes as Entered

Variable	Detail	Unit	Number	2023	2024	2025	2026	2027	2028	2029	2030
Employment (number)	Lumber	Thousands	1	0.01	0.01	0.01	0	0	0	0	0
Employment (number)	Stone, Clay, and Glass	Thousands	3	0.034	0.034	0.034	0	0	0	0	0
Employment (number)	Petroleum Products	Thousands	19	0.005	0.005	0.005	0	0	0	0	0
Employment (number)	Mining	Thousands	22	0.005	0.005	0.005	0	0	0	0	0
Employment (number)	Construction	Thousands	23	0	0	0	0	0	0	0	0
Employment (number)	Railroad	Thousands	24	0.019	0.019	0.019	0	0	0	0	0
Employment (number)	Trucking	Thousands	25	-0.108	-0.108	-0.108	0	0	0	0	0
Mining Sales (amount)	Nonmetallic Minerals, Except Fuels	1992 Fixed Local $ (000's)	T22	0.03	0.03	0.03	0.03	0	0	0	0

Variable	Detail	Unit	Number	2031	2032	2033	2034	2035
Employment (number)	Lumber	Thousands	1	0	0	0	0	0
Employment (number)	Stone, Clay, and Glass	Thousands	3	0	0	0	0	0
Employment (number)	Petroleum Products	Thousands	19	0	0	0	0	0
Employment (number)	Mining	Thousands	22	0	0	0	0	0
Employment (number)	Construction	Thousands	23	0	0	0	0	0
Employment (number)	Railroad	Thousands	24	0	0	0	0	0
Employment (number)	Trucking	Thousands	25	0	0	0	0	0
Mining Sales (amount)	Nonmetallic Minerals, Except Fuels	1992 Fixed Local $ (000's)	T22	0	0	0	0	0

September 24, 2001

Regional Simulation 1
[Top]
Differences as Compared to REMI Standard Reg Control

Variable	1999	2000	2001	2002	2003	2004	2005	2006	2007
Employment (Thous)	0	0	0	0	0	0.1042	0.1051	-0.03152	-0.02094
GRP (Bil Chained 92$)	0	0	0	0	0	0.003317	0.003328	0.002938	0.003581
GRP (Bil Fixed 92$)	0	0	0	0	0	0.003627	0.003675	0.003276	0.00403
Pers Inc (Bil Nom $)	0	0	0	0	0	0.002474	0.002923	-0.0003761	-0.0002835
PCE-Price Index (Fixed 92$)	0	0	0	0	0	0.06252	0.08921	0.0342	0.0315
Real Disp Pers Inc (Bil Fixed 92$)	0	0	0	0	0	0.001569	0.001728	-0.000479	-0.0004023
Population (Thous)	0	0	0	0	0	0.02244	0.05285	0.03992	0.01438
Econ Migrants	0	0	0	0	0	0.02211	0.02923	-0.01447	-0.02639
Total Migrants	0	0	0	0	0	0.02211	0.02922	-0.01448	-0.0264
Labor Force	0	0	0	0	0	0.01758	0.03342	0.01852	0.004812
Demand (Bil Fixed 92$)	0	0	0	0	0	0.006725	0.006734	0.04236	0.04314
Output (Bil Fixed 92$)	0	0	0	0	0	0.007699	0.007465	0.0329	0.03352
Rel Prod Manuf	0	0	0	0	0	0	0	0	0
Rel Prof Manuf	0	0	0	0	0	-0.00003397	-0.00005317	-0.00002754	-0.00001967
Labor Intensity	0	0	0	0	0	-0.00001228	-0.00002599	-0.00002718	0.00002885
Mult Adjustment	0	0	0	0	0	0	0	0	0
Indust Mix Index	0	0	0	0	0	0.00166	0.001489	-0.001307	-0.001091
Reg Pur Coeff (SS over Dem)	0	0	0	0	0	0.00005235	0.00002959	-0.001081	-0.001074
Imports (Bil Fixed 92$)	0	0	0	0	0	0.005172	0.005235	0.03665	0.0372
Self Supply (Bil Fixed 92$)	0	0	0	0	0	0.001554	0.001499	0.00571	0.005943
Exports US&ROW (Bil Fixed 92$)	0	0	0	0	0	-0.0001466	-0.0003459	-0.0004067	-0.0004389
Exports - MR (Bil Fixed 92$)	0	0	0	0	0	0	0	0	0
Exog Prod (Bil Fixed 92$)	0	0	0	0	0	0.006293	0.006312	0.0276	0.02802
Wage Rate (Thous Nom$)	0	0	0	0	0	0.01693	0.02748	0.01075	0.0183

September 24, 2001

Regional Simulation 1
[Top]
Differences as Compared to REMI Standard Reg Control

Variable	2008	2009	2010	2011	2012	2013	2014	2015	2016
Employment (Thous)	-0.002762	0.0144	0.0144	0.0128	0.01082	0.009235	0.007648	0.006172	0.004742
GRP (Bil Chained 92$)	0.004487	0.00537	0.005393	0.005384	0.005335	0.005327	0.005308	0.005302	0.005298
GRP (Bil Fixed 92$)	0.005094	0.006137	0.006199	0.006225	0.006203	0.006227	0.006238	0.006264	0.006291
Pers Inc (Bil Nom $)	0.0001493	0.000652	0.000671	0.0006322	0.0005752	0.0005211	0.0004625	0.0004029	0.0003419
PCE-Price Index (Fixed 92$)	0.04191	0.05618	0.06182	0.06583	0.06891	0.07176	0.0743	0.0766	0.07872
Real Disp Pers Inc (Bil Fixed 92$)	-0.0001577	0.0001046	0.00006938	0.0000045	-0.00006372	-0.0001256	-0.0001186	-0.0002243	-0.0002974
Population (Thous)	-0.001152	-0.007908	-0.01423	-0.02213	-0.02966	-0.03677	-0.04342	-0.0497	-0.05558
Econ Migrants	-0.01566	-0.006457	-0.005774	-0.007116	-0.006487	-0.005841	-0.00518	-0.004633	-0.004152
Total Migrants	-0.01566	-0.006459	-0.005775	-0.007116	-0.006488	-0.005841	-0.00518	-0.004632	-0.00415
Labor Force	-0.001593	-0.002752	-0.004387	-0.006916	-0.009346	-0.01162	-0.01381	-0.01579	-0.01764
Demand (Bil Fixed 92$)	0.04458	0.04758	0.04815	0.04856	0.04873	0.04901	0.04927	0.04954	0.0498
Output (Bil Fixed 92$)	0.0348	0.03772	0.0384	0.03904	0.03935	0.03991	0.04038	0.04089	0.04136
Rel Prod Manuf	0	0	0	0	0	0	0	0	0
Rel Prof Manuf	-0.0000217	-0.00002742	-0.00003099	-0.00003362	-0.00003564	-0.00003707	-0.00003839	-0.00003958	-0.00004041
Labor Intensity	0.00008237	0.0001286	0.0001681	0.0001998	0.0002234	0.0002403	0.0002519	0.0002578	0.0002593
Mult Adjustment	0	0	0	0	0	0	0	0	0
Indust Mix Index	-0.0008353	-0.000616	-0.0005317	-0.000438	-0.0003529	-0.0002635	-0.0001774	-0.00009179	-0
Reg Pur Coeff (SS over Dem)	-0.001025	-0.0009898	-0.0009993	-0.001001	-0.0009933	-0.0009817	-0.0009713	-0.0009585	-0.0009445
Imports (Bil Fixed 92$)	0.03813	0.04041	0.04093	0.0413	0.04148	0.04172	0.04195	0.04218	0.0424
Self Supply (Bil Fixed 92$)	0.006453	0.007167	0.007225	0.007263	0.007251	0.00729	0.007317	0.007357	0.007398
Exports US&ROW (Bil Fixed 92$)	-0.0004823	-0.0005538	-0.0006328	-0.0007131	-0.0007927	-0.0008702	-0.0009437	-0.001013	-0.001079
Exports - MR (Bil Fixed 92$)	0	0	0	0	0	0	0	0	0
Exog Prod (Bil Fixed 92$)	0.02883	0.03111	0.03181	0.03249	0.03289	0.03349	0.03401	0.03455	0.03505
Wage Rate (Thous Nom$)	0.03472	0.05135	0.0554	0.05865	0.06131	0.06387	0.06632	0.06867	0.07097

Page 2

September 24, 2001

Regional Simulation 1
[Top]
Differences as Compared to REMI Standard Reg Control

Variable	2017	2018	2019	2020	2021	2022	2023	2024	2025
Employment (Thous)	0.003357	0.0021	0.0008469	-0.0003014	-0.001394	-0.002455	-0.003004	-0.003963	-0.004852
GRP (Bil Chained 92$)	0.00529	0.005295	0.0053	0.005308	0.005318	0.005329	0.0054	0.005418	0.005441
GRP (Bil Fixed 92$)	0.006312	0.006348	0.006383	0.006422	0.006462	0.006505	0.006619	0.006669	0.006724
Pers Inc (Bil Nom $)	0.000276	0.000212	0.0001471	0.00008535	0.00002265	-0.00003767	-0.00007498	-0.0001315	-0.0001851
PCE-Price Index (Fixed 92$)	0.08049	0.08223	0.08426	0.08621	0.08803	0.0903	0.09337	0.09604	0.09874
Real Disp Pers Inc (Bil Fixed 92$)	-0.0003517	-0.0004022	-0.0004532	-0.0004991	-0.0005417	-0.0005847	-0.0006179	-0.0006575	-0.0006944
Population (Thous)	-0.06124	-0.06664	-0.07169	-0.07639	-0.08084	-0.08492	-0.0884	-0.09149	-0.09439
Econ Migrants	-0.003827	-0.003514	-0.003111	-0.002757	-0.002499	-0.002136	-0.001539	-0.00118	-0.001006
Total Migrants	-0.003825	-0.003511	-0.003107	-0.002753	-0.002497	-0.002133	-0.001535	-0.001174	-0.0009984
Labor Force	-0.0191	-0.02065	-0.0224	-0.02392	-0.02528	-0.02706	-0.02883	-0.03021	-0.03145
Demand (Bil Fixed 92$)	0.05009	0.05039	0.0507	0.05105	0.05143	0.0518	0.05255	0.05292	0.05337
Output (Bil Fixed 92$)	0.04183	0.04233	0.04279	0.04325	0.04371	0.04418	0.04505	0.04554	0.04603
Rel Prod Manuf	0	0	0	0	0	0	0	0	0
Rel Prof Manuf	-0.00004125	-0.00004172	-0.00004232	-0.0000428	-0.00004327	-0.00004375	-0.00004458	-0.00004518	-0.00004578
Labor Intensity	0.0002559	0.0002489	0.0002383	0.0002245	0.0002081	0.0001899	0.0001694	0.0001481	0.0001253
Mult Adjustment	0	0	0	0	0	0	0	0	0
Indust Mix Index	0.00007236	0.000154	0.0002328	0.000311	0.0003892	0.0004665	0.0005493	0.0006232	0.0006973
Reg Pur Coeff (SS over Dem)	-0.0009343	-0.0009207	-0.0009106	-0.0009031	-0.0008963	-0.0008889	-0.0008851	-0.0008821	-0.0008775
Imports (Bil Fixed 92$)	0.04265	0.0429	0.04316	0.04346	0.04378	0.04408	0.0447	0.045	0.04538
Self Supply (Bil Fixed 92$)	0.007436	0.00749	0.00754	0.007596	0.007654	0.007716	0.007855	0.007921	0.007995
Exports US&ROW (Bil Fixed 92$)	-0.001138	-0.001194	-0.001243	-0.001288	-0.001328	-0.001368	-0.001405	-0.00144	-0.001475
Exports - MR (Bil Fixed 92$)	0	0	0	0	0	0	0	0	0
Exog Prod (Bil Fixed 92$)	0.03553	0.03603	0.03649	0.03694	0.03738	0.03783	0.0386	0.03906	0.0395
Wage Rate (Thous Nom$)	0.07322	0.07556	0.07803	0.08062	0.08328	0.08633	0.08996	0.09343	0.09703

September 24, 2001

Regional Simulation 1
[Top]
Differences as Compared to REMI Standard Reg Control

Variable	2026
Employment (Thous)	-0.03209
GRP (Bil Chained 92$)	-0.001534
GRP (Bil Fixed 92$)	-0.001904
Pers Inc (Bil Nom $)	-0.001435
PCE-Price Index (Fixed 92$)	0.06059
Real Disp Pers Inc (Bil Fixed 92$)	-0.001091
Population (Thous)	-0.1022
Econ Migrants	-0.005778
Total Migrants	-0.005769
Labor Force	-0.03701
Demand (Bil Fixed 92$)	-0.02212
Output (Bil Fixed 92$)	-0.003727
Rel Prod Manuf	0
Rel Prof Manuf	-0.00003505
Labor Intensity	0.0001072
Mult Adjustment	0
Indust Mix Index	0.00004131
Reg Pur Coeff (SS over Dem)	0.0006365
Imports (Bil Fixed 92$)	-0.01982
Self Supply (Bil Fixed 92$)	-0.0023
Exports US&ROW (Bil Fixed 92$)	-0.001428
Exports - MR (Bil Fixed 92$)	0
Exog Prod (Bil Fixed 92$)	0.00000003
Wage Rate (Thous Nom$)	0.04194

Page 4

September 26, 2001

Regional Simulation 2 - Policy Variable Changes as Entered

Variable	Detail	Unit	Number	1999	2000	2001	2002	2003	2004	2005	2006	2007
Employment (number)	Lumber	Thousands	1	0	0	0	0	0	0	0	0.005	0.008
Employment (number)	Stone, Clay, and Glass	Thousands	3	0	0	0	0	0	0	0	0.009	0.015
Employment (number)	Mining	Thousands	22	0	0	0	0	0	0	0	0.005	0.005
Employment (number)	Construction	Thousands	23	0	0	0	0	0	0.077	0.077	0	0
Employment (number)	Railroad	Thousands	24	0	0	0	0	0	0	0	0.018	0.019
Employment (number)	Trucking	Thousands	25	0	0	0	0	0	0	0	-0.108	-0.108
Mining Sales (amount)	Nonmetallic Minerals, Except Fuels	1992 Fixed US $ (M)	T22	0	0	0	0	0	0.3	0.3	0.03	0.03
Employment (number)	Petroleum Products	Thousands	19	0	0	0	0	0	0	0	0.005	0.005

Variable	Detail	Unit	Number	2008	2009	2010	2011	2012	2013	2014	2015
Employment (number)	Lumber	Thousands	1	0.014	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Employment (number)	Stone, Clay, and Glass	Thousands	3	0.025	0.035	0.045	0.052	0.052	0.052	0.052	0.052
Employment (number)	Mining	Thousands	22	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005
Employment (number)	Construction	Thousands	23	0	0	0	0	0	0	0	0
Employment (number)	Railroad	Thousands	24	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.019
Employment (number)	Trucking	Thousands	25	-0.108	-0.108	-0.108	-0.108	-0.108	-0.108	-0.108	-0.108
Mining Sales (amount)	Nonmetallic Minerals, Except Fuels	1992 Fixed US $ (M)	T22	0.03	0.03	0.03	0.03	0.03	0.06	0.03	0.03
Employment (number)	Petroleum Products	Thousands	19	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005

Variable	Detail	Unit	Number	2016	2017	2018	2019	2020	2021	2022	2023
Employment (number)	Lumber	Thousands	1	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Employment (number)	Stone, Clay, and Glass	Thousands	3	0.052	0.052	0.052	0.052	0.052	0.052	0.052	0.052
Employment (number)	Mining	Thousands	22	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005
Employment (number)	Construction	Thousands	23	0	0	0	0	0	0	0	0
Employment (number)	Railroad	Thousands	24	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.019
Employment (number)	Trucking	Thousands	25	-0.108	-0.108	-0.108	-0.108	-0.108	-0.108	-0.108	-0.108
Mining Sales (amount)	Nonmetallic Minerals, Except Fuels	1992 Fixed US $ (M)	T22	0.03	0.03	0.03	0.03	0.06	0.03	0.03	0.03
Employment (number)	Petroleum Products	Thousands	19	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005

September 26, 2001

Regional Simulation 2 - Policy Variable Changes as Entered

Variable	Detail	Unit	Number	2024	2025	2026	2027	2028	2029	2030	2031	2032
Employment (number)	Lumber	Thousands	1	0.02	0.02	0.02	0	0	0	0	0	0
Employment (number)	Stone, Clay, and Glass	Thousands	3	0.052	0.052	0.052	0	0	0	0	0	0
Employment (number)	Mining	Thousands	22	0.005	0.005	0.005	0	0	0	0	0	0
Employment (number)	Construction	Thousands	23	0	0	0	0	0	0	0	0	0
Employment (number)	Railroad	Thousands	24	0.019	0.019	0.019	0	0	0	0	0	0
Employment (number)	Trucking	Thousands	25	-0.108	-0.108	-0.108	0	0	0	0	0	0
MInIng Sales (amount)	Nonmetallic Minerals, Except Fuels	1992 Fixed US $ (M)	T22	0.03	0.03	0.03	0	0	0	0	0	0
Employment (number)	Petroleum Products	Thousands	19	0.005	0.005	0.005	0	0	0	0	0	0

Variable	Detail	Unit	Number	2033	2034	2035
Employment (number)	Lumber	Thousands	1	0	0	0
Employment (number)	Stone, Clay, and Glass	Thousands	3	0	0	0
Employment (number)	MInIng	Thousands	22	0	0	0
Employment (number)	Construction	Thousands	23	0	0	0
Employment (number)	Railroad	Thousands	24	0	0	0
Employment (number)	Trucking	Thousands	25	0	0	0
MInIng Sales (amount)	Nonmetallic MInerals, Except Fuels	1992 Fixed US $ (M)	T22	0	0	0
Employment (number)	Petroleum Products	Thousands	19	0	0	0

September 26, 2001

Central Utah Option A
Regional Simulation 2
[Top]
Differences as Compared to REMI Standard Reg Control

Variable	1999	2000	2001	2002	2003	2004	2005	2006	2007
Employment (Thous)	0	0	0	0	0	0.1072	0.1082	-0.02027	-0.009478
GRP (Bil Chained 92$)	0	0	0	0	0	0.003509	0.003524	0.003365	0.004016
GRP (Bil Fixed 92$)	0	0	0	0	0	0.003837	0.003892	0.003753	0.004519
Pers Inc (Bil Nom $)	0	0	0	0	0	0.002554	0.003021	-0.00004983	0.00008833
PCE-Price Index (Fixed 92$)	0	0	0	0	0	0.0642	0.0913	0.04147	0.04013
Real Disp Pers Inc (Bil Fixed 92$)	0	0	0	0	0	0.001622	0.001793	-0.0002726	-0.000173
Population (Thous)	0	0	0	0	0	0.02399	0.0563	0.04666	0.02483
Econ Migrants	0	0	0	0	0	0.02363	0.03105	-0.01134	-0.02296
Total Migrants	0	0	0	0	0	0.02363	0.03105	-0.01134	-0.02296
Labor Force	0	0	0	0	0	0.01843	0.03511	0.02219	0.01022
Demand (Bil Fixed 92$)	0	0	0	0	0	0.007398	0.007405	0.04352	0.04432
Output (Bil Fixed 92$)	0	0	0	0	0	0.008122	0.007881	0.03393	0.03454
Rel Prod Manuf	0	0	0	0	0	0	0	0	0
Rel Prof Manuf	0	0	0	0	0	-0.00003469	-0.00005424	-0.00003088	-0.00002396
Labor Intensity	0	0	0	0	0	-0.00001276	-0.00002563	-0.00002718	0.00002813
Mult Adjustment	0	0	0	0	0	0	0	0	0
Indust Mix Index	0	0	0	0	0	0.001612	0.001436	-0.001258	-0.001062
Reg Pur Coeff (SS over Dem)	0	0	0	0	0	0.00004774	0.00002456	-0.001055	-0.001051
Imports (Bil Fixed 92$)	0	0	0	0	0	0.005718	0.00578	0.03749	0.03805
Self Supply (Bil Fixed 92$)	0	0	0	0	0	0.00168	0.001625	0.006032	0.006264
Exports US&ROW (Bil Fixed 92$)	0	0	0	0	0	-0.0001507	-0.0003557	-0.0004308	-0.0004795
Exports - MR (Bil Fixed 92$)	0	0	0	0	0	0	0	0	0
Exog Prod (Bil Fixed 92$)	0	0	0	0	0	0.006592	0.006612	0.02833	0.02876
Wage Rate (Thous Nom$)	0	0	0	0	0	0.01833	0.02902	0.01721	0.02527

September 26, 2001

Central Utah Option A
Regional Simulation 2
[Top]
Differences as Compared to REMI Standard Reg Control

Variable	2008	2009	2010	2011	2012	2013	2014	2015
Employment (Thous)	0.01014	0.03335	0.04744	0.05716	0.05576	0.05472	0.0532	0.05197
GRP (Bil Chained 92$)	0.004836	0.005859	0.006616	0.007164	0.007132	0.007152	0.007125	0.007128
GRP (Bil Fixed 92$)	0.00549	0.006695	0.007605	0.008282	0.008292	0.008362	0.008373	0.00842
Pers Inc (Bil Nom $)	0.0005422	0.001219	0.001794	0.002275	0.002383	0.002468	0.002523	0.002572
PCE-Price Index (Fixed 92$)	0.05135	0.06955	0.08631	0.1008	0.1072	0.1117	0.1147	0.1167
Real Disp Pers Inc (Bil Fixed 92$)	0.00007677	0.0004343	0.0007161	0.0009343	0.0009416	0.0009425	0.0009329	0.0009243
Population (Thous)	0.01175	0.008724	0.01202	0.01804	0.02219	0.02422	0.02559	0.0262
Econ Migrants	-0.01358	-0.003185	0.003185	0.00579	0.003789	0.001584	0.0009222	0.0001521
Total Migrants	-0.01358	-0.003188	0.003182	0.005786	0.003785	0.001581	0.0009181	0.000148
Labor Force	0.004995	0.005865	0.009476	0.01383	0.01632	0.01749	0.01808	0.01868
Demand (Bil Fixed 92$)	0.04561	0.0491	0.05171	0.0537	0.05387	0.05419	0.05433	0.05455
Output (Bil Fixed 92$)	0.03562	0.0389	0.04136	0.04333	0.0436	0.04417	0.04457	0.04507
Rel Prod Manuf	0	0	0	0	0	0	0	0
Rel Prof Manuf	-0.00002658	-0.00003421	-0.00004208	-0.00004911	-0.00005281	-0.00005448	-0.00005543	-0.00005543
Labor Intensity	0.00008035	0.0001242	0.00016	0.0001886	0.0002109	0.0002258	0.0002356	0.00024
Mult Adjustment	0	0	0	0	0	0	0	0
Indust Mix Index	-0.0008555	-0.0006481	-0.0004785	-0.0003583	-0.0003241	-0.0002782	-0.0002242	-0.0001692
Reg Pur Coeff (SS over Dem)	-0.001009	-0.000969	-0.0009423	-0.0009208	-0.0009158	-0.0009059	-0.0008941	-0.0008803
Imports (Bil Fixed 92$)	0.03889	0.04154	0.04355	0.04509	0.04527	0.04555	0.04568	0.04587
Self Supply (Bil Fixed 92$)	0.006722	0.007555	0.008161	0.008612	0.008596	0.00864	0.008648	0.008685
Exports US&ROW (Bil Fixed 92$)	-0.0005383	-0.0006328	-0.0007517	-0.0008893	-0.001028	-0.001158	-0.001277	-0.001384
Exports - MR (Bil Fixed 92$)	0	0	0	0	0	0	0	0
Exog Prod (Bil Fixed 92$)	0.02944	0.03198	0.03395	0.03561	0.03603	0.03669	0.0372	0.03777
Wage Rate (Thous Nom$)	0.03942	0.05769	0.07552	0.08977	0.0937	0.09697	0.09946	0.1016

September 26, 2001

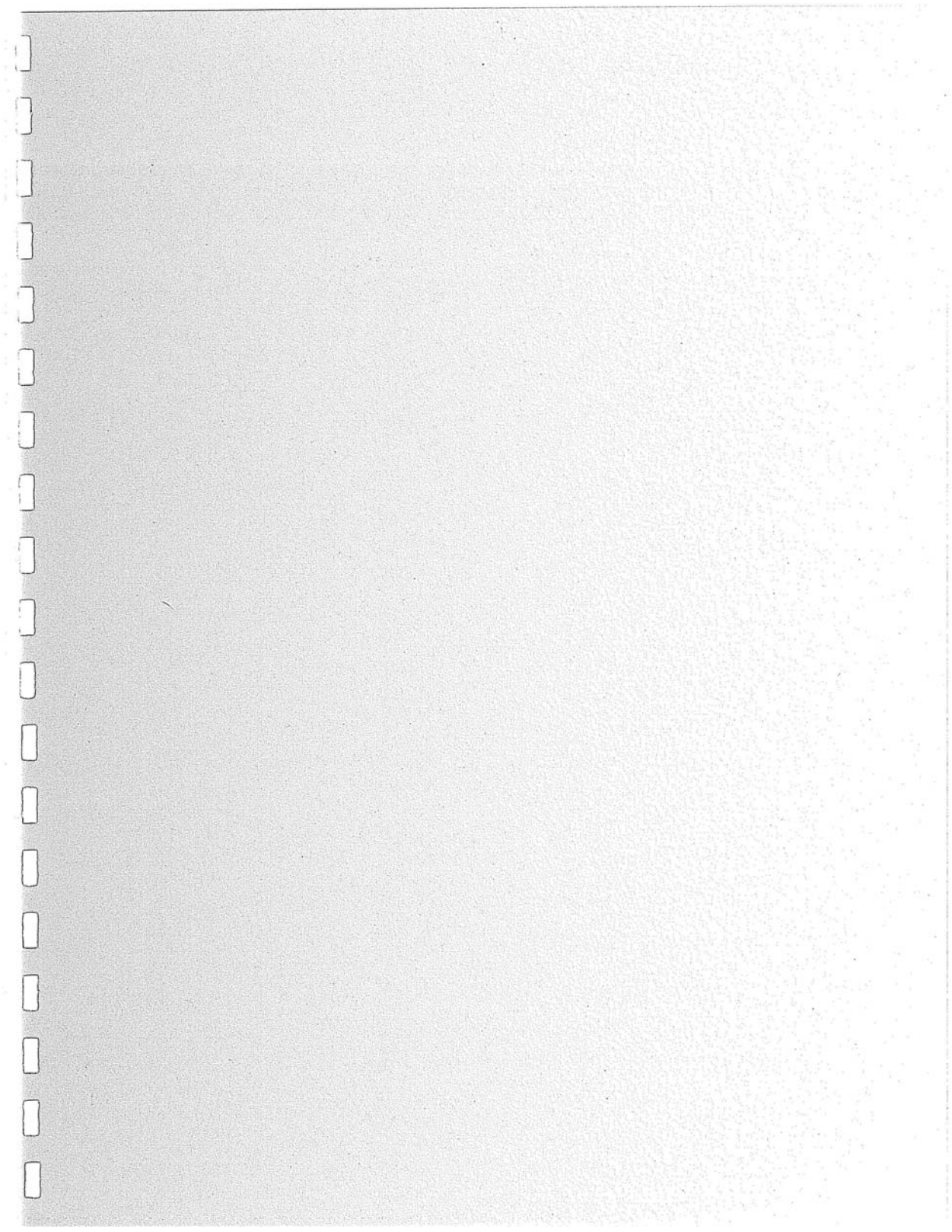
Central Utah Option A
Regional Simulation 2
[Top]
Differences as Compared to REMI Standard Reg Control

Variable	2016	2017	2018	2019	2020	2021	2022	2023
Employment (Thous)	0.0508	0.04967	0.04868	0.04769	0.047	0.04598	0.04519	0.0449
GRP (Bil Chained 92$)	0.007135	0.007137	0.007155	0.007173	0.007214	0.007221	0.007248	0.007337
GRP (Bil Fixed 92$)	0.008471	0.008515	0.008578	0.008639	0.008728	0.008775	0.008847	0.008993
Pers Inc (Bil Nom $)	0.002616	0.002657	0.002697	0.002737	0.002789	0.002829	0.002885	0.002965
PCE-Price Index (Fixed 92$)	0.1184	0.1196	0.1206	0.1219	0.1231	0.1243	0.1261	0.1287
Real Disp Pers Inc (Bil Fixed 92$)	0.0009143	0.0009032	0.0008915	0.0008773	0.0008706	0.0008583	0.0008498	0.0008503
Population (Thous)	0.02633	0.02597	0.02521	0.02415	0.02299	0.02153	0.01997	0.01862
Econ Migrants	-0.0003423	-0.0008265	-0.001235	-0.001463	-0.00155	-0.001827	-0.001921	-0.001658
Total Migrants	-0.0003468	-0.0008314	-0.00124	-0.001468	-0.001557	-0.001836	-0.001933	-0.001671
Labor Force	0.01867	0.01875	0.01854	0.01794	0.01751	0.01706	0.01611	0.01521
Demand (Bil Fixed 92$)	0.05475	0.055	0.05528	0.05558	0.05602	0.0563	0.0567	0.05748
Output (Bil Fixed 92$)	0.04554	0.04601	0.04653	0.04701	0.04755	0.04801	0.04853	0.04946
Rel Prod Manuf	0	0	0	0	0	0	0	0
Rel Prof Manuf	-0.00005519	-0.0000546	-0.00005376	-0.00005305	-0.00005245	-0.00005174	-0.00005126	-0.00005114
Labor Intensity	0.0002403	0.0002364	0.000229	0.0002191	0.0002058	0.0001905	0.0001739	0.0001553
Mult Adjustment	0	0	0	0	0	0	0	0
Indust Mix Index	-0.0001124	-0.00005543	0.00000494	0.00006503	0.0001243	0.0001903	0.0002546	0.0003259
Reg Pur Coeff (SS over Dem)	-0.0008635	-0.0008503	-0.0008346	-0.0008221	-0.0008134	-0.000801	-0.0007925	-0.0007855
Imports (Bil Fixed 92$)	0.04603	0.04623	0.04645	0.04669	0.04705	0.04727	0.0476	0.04822
Self Supply (Bil Fixed 92$)	0.008725	0.008766	0.008827	0.008886	0.008967	0.009027	0.009106	0.009266
Exports US&ROW (Bil Fixed 92$)	-0.001477	-0.001558	-0.001627	-0.001684	-0.001733	-0.001771	-0.001806	-0.001837
Exports - MR (Bil Fixed 92$)	0	0	0	0	0	0	0	0
Exog Prod (Bil Fixed 92$)	0.03829	0.0388	0.03932	0.03981	0.04032	0.04075	0.04123	0.04203
Wage Rate (Thous Nom$)	0.1037	0.1057	0.1078	0.1101	0.1128	0.1155	0.1187	0.1227

September 26, 2001

Central Utah Option A
Regional Simulation 2
[Top]
Differences as Compared to REMI Standard Reg Control

Variable	2024	2025	2026
Employment (Thous)	0.0442	0.04354	0.04293
GRP (Bil Chained 92$)	0.007371	0.007411	0.007456
GRP (Bil Fixed 92$)	0.009072	0.009158	0.009251
Pers Inc (Bil Nom $)	0.003032	0.003103	0.003179
PCE-Price Index (Fixed 92$)	0.131	0.1333	0.1357
Real Disp Pers Inc (Bil Fixed 92$)	0.0008436	0.0008377	0.000834
Population (Thous)	0.01729	0.0158	0.01418
Econ Migrants	-0.001633	-0.001766	-0.001813
Total Migrants	-0.001645	-0.001778	-0.001826
Labor Force	0.01464	0.01415	0.01359
Demand (Bil Fixed 92$)	0.05788	0.05835	0.05887
Output (Bil Fixed 92$)	0.05	0.05055	0.05111
Rel Prod Manuf	0	0	0
Rel Prof Manuf	-0.0000509	-0.00005066	-0.00005043
Labor Intensity	0.0001364	0.000116	0.00009477
Mult Adjustment	0	0	0
Indust Mix Index	0.0003888	0.0004542	0.0005209
Reg Pur Coeff (SS over Dem)	-0.0007793	-0.0007708	-0.0007606
Imports (Bil Fixed 92$)	0.04853	0.0489	0.04932
Self Supply (Bil Fixed 92$)	0.009351	0.009448	0.009555
Exports US&ROW (Bil Fixed 92$)	-0.001862	-0.001888	-0.001915
Exports - MR (Bil Fixed 92$)	0	0	0
Exog Prod (Bil Fixed 92$)	0.04251	0.04299	0.04347
Wage Rate (Thous Nom$)	0.1266	0.1307	0.135



Appendix E

Railroad Cost Model Detail

Routes 1A-2 Low Carload Projection

CENTRAL UTAH RAILROAD - TERMINATING TRAFFIC INPUTS

TERMINATING TRAFFIC	Miles from Last Station	Annual Carloads Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	On-Line Revenue/ Carload	Average Net Tons	Average Tare Tons	Car Hire Expense $/Mile	Car Hire Expense $/Hour	Average Days On Line Per Car
SEGMENT 1																	
Mills, Utah	0.0																
YH	11.4																
Total Terminating on Segment 1	11.4	0	0	0	0	0	0	0	0	0	0						
SEGMENT 2																	
YH	0.0																
Utah Yard	14.6	80	150	200	230	230	230	230	230	230	230	300	90	31	0.09	0.35	3
Redmond Minerals	10.0																
Salina Industrial	6.0	110	190	235	255	255	255	255	255	255	255	350	95	31	0.09	0.35	3
Total Terminating on Segment 2	30.6	190	340	435	485	485	485	485	485	485	485						
TOTAL TERMINATING	42.0	190	340	435	485	485	485	485	485	485	485						

CentralUtah.1a-2-

CENTRAL UTAH RAILROAD - ORIGINATING TRAFFIC INPUTS

ORIGINATING TRAFFIC	Miles from Last Station	Annual Carloads Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	On-Line Revenue/ Carload	Average Net Tons	Average Tare Tons	Car Hire Expense $/Mile	$/Hour	Average Days On Line Per Car
SEGMENT 1																	
Mills, Utah	0.0																
YH	11.4																
Total Originating on Segment 1	11.4	0	0	0	0	0	0	0	0	0	0						
SEGMENT 2																	
YH	0.0																
Utah Yard	14.6																
Redmond Minerals	10.0	1,000	1,400	1,800	2,200	2,200	2,200	2,200	2,200	2,200	2,200	350	100	31	0.09	0.35	3
Salina Industrial	6.0	0	500	1,200	1,725	1,725	1,725	1,725	1,725	1,725	1,725	350	100	31	0.09	0.35	3
Total Originating on Segment 2	30.6	1,000	1,900	3,000	3,925	3,925	3,925	3,925	3,925	3,925	3,925						
TOTAL ORIGINATING	42.0	1,000	1,900	3,000	3,925	3,925	3,925	3,925	3,925	3,925	3,925						

CentralUtah.1a-2-

CENTRAL UTAH RAILROAD - EXPENSE FACTORS - 1

DEPARTMENTAL LABOR		Number of Employees Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	$ Rate	Basis
EMPLOYEES AND WAGES													
Maintenance of Way & Structures													
Track Supervisor		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$55,000	per year
Foreman		2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	$48,000	per year
Equipment Operators		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$22,000	per year
Laborers - Full-time		6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	$32,000	per year
Track Inspectors		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$36,000	per year
MAINTENANCE OF EQUIPMENT													
Supervisor		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$48,000	per year
Assistant		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$42,000	per year
Mechanics & Other Employees		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$37,500	per year
Inspectors		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$22,000	per year
TRANSPORTATION - ROAD													
Enginemen	Hourly and/or	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$0.00	per crew-hour
	Salaried	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	$40,000	per year
Trainmen	Hourly and/or	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$0.00	per hour
	Salaried	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$36,000	per year
MARKETING AND SALES													
Customer Service Manager		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$48,000	per year
GENERAL													
General Manager		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$90,000	per year
Administrative Asst.		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$35,000	per year
Other Office Personnel		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$35,000	per year

CentralUtah.1a-2-

CENTRAL UTAH RAILROAD - EXPENSE FACTORS - 2

DEPARTMENTAL MATERIAL AND OTHER		Amount Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Cost	Unit
EQUIPMENT AND MATERIAL													
MAINTENANCE OF WAY													
Ties Purchased and Cost/Tie		50	50	50	50	50	50	50	2,500	50	50	$40.00	each
Rail (Tons) and Cost/Ton		10	10	10	10	10	10	100	10	10	10	$450.00	per ton
Ballast Laid (Tons) and Cost/Ton		1,000	1,000	1,000	1,000	1,000	1,000	1,000	2,000	1,000	1,000	$30.00	per ton
Other Track Material		$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	--	per year
Small Tools and Operating Supplies		$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	--	per year
Structures Maintenance		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	--	per year
Vegetation Control		$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	--	per year
Crossings and Signals		$30,000	$30,000	$30,000	$30,000	$30,000	$40,000	$40,000	$40,000	$40,000	$40,000	--	per year
Ultra Sonic Rail Testing		$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	--	per year
Rail Welding		$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	--	per year
(User Specified - MOW)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
Accrued Maintenance Expense		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
MAINTENANCE OF EQUIPMENT													
Small Tools and Operating Supplies		$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	--	per year
Parts for Equipment Maintenance		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	--	per year
Freight Car Equipment Maintenance		--	--	--	--	--	--	--	--	--	--	$0.000	per car-mile
Locomotive Running Maintenance		--	--	--	--	--	--	--	--	--	--	$0.400	per unit-mile
Locomotive Heavy Maintenance		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
Locomotive Contract Maintenance (# of units)		3	3	3	3	3	3	3	3	3	3	$20,000	per year
Locomotive Repair		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
TRANSPORTATION	**Unit Cost**	Unit				**Unit Cost**	**Unit**						
Train Supplies and Expense	$0.003	Car/Mile	Fuel-Gal/MGTM (Road)			0.634	1000 GTM	Derailments & Injuries			$0.900	train-mile	
Fuel Cost per Gallon	$1.00	Gallon	Frt Claims, % of Frt Rev			0.5%	Percent	Fuel-Gal/Hr(Idle)			5.0	road unit	
Fuel - Gal/LUM (Road)	3.000	Unit/Mile						Fuel-Gal/Hr(Switching)			44.0	yard unit	
Communications Equipment Maintenance		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	per year	
Locomotive Rentals (Capital and Maintenance)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	per year	
Joint Facilities Rents		$4,500,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	per year	
OTHER EXPENSE INPUTS (G & A)													
Benefits, Percent of Direct Wages Paid		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	percent	
Insurance - General Liability, Percent of Payroll		12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	Percent	
Fire & Theft		$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	per year	
Rolling Stock		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	per year	
Outside Accounting/Auditing		$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	per year	
Legal Services		$50,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	per year	
Automobile Expenses		$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	per year	
Office Expenses (phone, supplies, misc.)		$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	per year	
Utilities		$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	per year	
Travel and Entertainment		$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	per year	
Property Taxes		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	per year	
Rentals - Buildings and Property		$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	per year	
Contingency		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	% of Oper.Exp.	

CentralUtah.1a-2-

CENTRAL UTAH RAILROAD - EQUIPMENT AND PROPERTY OWNED

Constn %: Year 2 30.0%	Year 1	34.0%	Year 0	36.0%		
EQUIPMENT AND PROPERTY OWNED	Dept.	Number of Units	Average Purchase Cost	Service Life	Average Age Year 0	ACRS Tax Life
Locomotives	M of E	3	$ 500,000	20	0	7
Locomotives	M of E	0	$0	0	0	7
Ballast Cars	M of E	5	$23,000	20	0	7
Flatcars	M of E	5	$12,000	20	0	7
Box cars	M of E	0	$7,500	7	0	7
Vehicles	M of E	1	$90,000	5	0	5
M of W Machinery - Hi-Rail	M of W & S	0	$38,000	7	0	7
M of W - Hi-Rail Pickup Trucks	M of W & S	2	$90,000	5	0	7
M of W - Section Trucks	M of W & S	2	$75,000	5	0	7
M of W Machinery - Other	M of W & S	0	$0	7	0	7
Vehicles - Supervision	M of W & S	1	$24,000	5	0	5
Vehicles	M of W & S	0	$0	0	0	5
Track, Road Improvements, Signals	M of W & S	--	$55,729,150	20	0	7
Bridges, Highway Crossings	M of W & S	--	$5,049,000	25	0	20
Buildings	M of W & S	--	$300,000	20	0	20
Office or Computer Equipment	G & A	0	$10,000	3	0	7
Amortizable Asset	G & A	0	$0	7	0	N/A
Total Depreciable/Amortizable Assets: Plant>>		$61,078,150	All Other>>	$2,119,000	Total>>	$63,197,150
Total Engineering, Construction, Land, Contingency			$61,078,150			

CentralUtah.1a-2-

CENTRAL UTAH RAILROAD - OPERATING PLAN

OPERATING PLAN	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
					SEGMENT 1					
Units per Train	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Round Trips per Week	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Average Operating Speed (MPH)	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Average Stops per Round Trip	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Average Minutes per Stop	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
					SEGMENT 2					
Units per Train	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Round Trips per Week	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Average Operating Speed (MPH)	15.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Average Stops per Round Trip	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Average Minutes per Stop	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0

CentralUtah.1a-2-

CENTRAL UTAH RAILROAD - LONG-TERM DEBT

LONG-TERM DEBT

Use Loan A for debt incurred at or prior to the beginning of Year 1. Input the remaining loan balance (end of Year 0 or beginning of Year 1) and the remaining term.

	Loan A
Annual (Simple) Interest Rate (APR)	7.0%
Loan Balance, Begin Year 1	$72,000,000
Loan Amount to be Amortized	$72,000,000
Amortized Period (Total minus grace years)	15

CentralUtah.1a-2-

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 1

REVENUE	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Freight										
Originating	$350,000	$665,000	$1,050,000	$1,373,750	$1,373,750	$1,373,750	$1,373,750	$1,373,750	$1,373,750	$1,373,750
Terminating	62,500	111,500	142,250	158,250	158,250	158,250	158,250	158,250	158,250	158,250
Bridge	7,000,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000
Other Income - Demurrage	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUE	$7,412,500	$10,276,500	$10,692,250	$11,032,000	$11,032,000	$11,032,000	$11,032,000	$11,032,000	$11,032,000	$11,032,000
EXPENSES										
Maintenance of Way & Structures:										
Direct Labor	379,000	379,000	379,000	379,000	379,000	379,000	379,000	379,000	379,000	379,000
Fringe Benefits	227,400	227,400	227,400	227,400	227,400	227,400	227,400	227,400	227,400	227,400
Materials, Supplies, Other										
Ties	2,000	2,000	2,000	2,000	2,000	2,000	2,000	100,000	2,000	2,000
Rail	4,500	4,500	4,500	4,500	4,500	4,500	45,000	4,500	4,500	4,500
Ballast	30,000	30,000	30,000	30,000	30,000	30,000	30,000	60,000	30,000	30,000
Other Track Material	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Small Tools and Operating Supplies	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Structures Maintenance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Vegetation Control	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Crossings and Signals	30,000	30,000	30,000	30,000	30,000	40,000	40,000	40,000	40,000	40,000
Ultra Sonic Rail Inspection	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Rail Welding	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Depreciation:										
Track, Road Improvements, Signals	1,409,947	1,409,947	1,409,947	1,409,947	1,409,947	1,409,947	1,409,947	1,409,947	1,409,947	1,409,947
Bridges, Highway Crossings	90,377	90,377	90,377	90,377	90,377	90,377	90,377	90,377	90,377	90,377
Buildings	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870
Maintenance of Way Machinery	31,152	31,152	31,152	31,152	31,152	31,152	31,152	31,152	31,152	15,252
Vehicles	4,500	4,500	4,500	4,500	4,500	1,500	0	0	0	0
Subtotal, Maintenance of Way	$2,374,746	$2,374,746	$2,374,746	$2,374,746	$2,374,746	$2,381,746	$2,420,746	$2,508,246	$2,380,246	$2,364,346
Expenses/Miles of Road, Accelerated Depreciation Track & Structures	$20,585	$20,585	$20,585	$20,585	$20,585	$20,751	$21,680	$23,763	$20,716	$20,337

CentralUtah.1a-2-

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 2

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Maintenance of Equipment:										
Direct Labor	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500
Fringe Benefits	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700
Material, Supplies, Other										
Small Tools & Operating Supplies	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Parts for Equipment Maintenance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Locomotive Running Maintenance	31,558	31,558	31,558	31,558	31,558	31,558	31,558	31,558	31,558	8,566
Locomotive Contract Maintenance	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Depreciation:										
Locomotives	43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500
Rolling Stock	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365
Vehicles	16,875	16,875	16,875	16,875	16,875	5,625	0	0	0	0
Subtotal Maintenance of Equipment	$302,498	$302,498	$302,498	$302,498	$302,498	$291,248	$285,623	$285,623	$285,623	$262,631
Marketing and Sales:										
Direct Labor	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000
Fringes	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800
Subtotal Marketing and Sales	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800

CentralUtah.1a-2-

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 3

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Transportation:										
Road										
Enginemen	$40,000	$80,000	$80,000	$80,000	$80,000	$80,000	$80,000	$80,000	$80,000	$80,000
Trainmen	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Fringe Benefits	45,600	69,600	69,600	69,600	69,600	69,600	69,600	69,600	69,600	69,600
Train Supplies and Expenses	7,293	9,916	10,014	10,106	10,106	10,106	10,106	10,106	10,106	10,106
Fuel	423,841	467,741	469,401	470,981	470,981	470,981	470,981	470,981	470,981	249,640
Freight Claims, % of Freight Revenue	37,063	51,383	53,461	55,160	55,160	55,160	55,160	55,160	55,160	55,160
Derailments & Injuries	23,669	23,669	23,669	23,669	23,669	23,669	23,669	23,669	23,669	23,669
Accumulated Construction Interest Expense	4,500,000	0	0	0	0	0	0	0	0	0
Subtotal Transportation	$5,113,466	$738,309	$742,145	$745,516	$745,516	$745,516	$745,516	$745,516	$745,516	$524,175
General and Administrative										
General Manager	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Administrative Assistant	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Other Office Personnel	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Fringe Benefits	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000
Freight Car Accounting	291,900	402,400	414,350	424,100	424,100	424,100	424,100	424,100	424,100	424,100
Interline Settlements	0	0	0	0	0	0	0	0	0	0
Insurance - General Liability	89,100	93,900	93,900	93,900	93,900	93,900	93,900	93,900	93,900	93,900
Fire, Theft, Rolling Stock	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Travel & Entertainment	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Outside Accounting/Auditing	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Legal Services	50,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Automobile Expenses	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Rentals - Buildings and Property	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Office Expenses (phone, supplies, misc.)	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Utilities	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Depreciation - Office or Computer Equipment	0	0	0	0	0	0	0	0	0	0
Subtotal General	853,000	938,300	950,250	960,000	960,000	960,000	960,000	960,000	960,000	960,000

CentralUtah.1a-2-

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 4

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Other Expenses										
Car Hire	$17,096	$29,018	$41,987	$52,958	$52,958	$52,958	$52,958	$52,958	$52,958	$52,958
Property Taxes	0	0	0	0	0	0	0	0	0	0
Contingency	142,460	56,902	57,477	57,959	57,959	58,159	58,969	60,719	58,159	53,272
Subtotal Other	$159,556	$85,920	$99,464	$110,917	$110,917	$111,117	$111,927	$113,677	$111,117	$106,230
SUBTOTAL OPERATING EXPENSES	$8,880,067	$4,516,572	$4,545,904	$4,570,478	$4,570,478	$4,566,428	$4,600,613	$4,689,863	$4,559,303	$4,294,182
INCOME (LOSS) BEFORE INTEREST EXPENSE AND INCOME TAXES (NROI)	($1,467,567)	$5,759,928	$6,146,346	$6,461,522	$6,461,522	$6,465,572	$6,431,387	$6,342,137	$6,472,697	$6,737,818
Interest Expense on Long-Term Debt	($4,991,184)	($4,789,027)	($4,572,472)	($4,340,492)	($4,091,989)	($3,825,787)	($3,540,624)	($3,235,151)	($2,907,921)	($2,557,383)
INCOME (LOSS) BEFORE INCOME TAXES	($6,458,751)	$970,901	$1,573,874	$2,121,030	$2,369,533	$2,639,785	$2,890,763	$3,106,986	$3,564,776	$4,180,435

CentralUtah.1a-2-

CENTRAL UTAH RAILROAD - CASH FLOW STATEMENT

SOURCES OF CASH:	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash Generated from Revenues	$6,803,253	$10,041,103	$10,658,079	$11,004,075	$11,032,000	$11,032,000	$11,032,000	$11,032,000	$11,032,000	$11,032,000
Cash Disbursed for Expenses	($11,684,807)	($8,051,517)	($7,501,448)	($7,294,430)	($7,047,880)	($6,791,440)	($6,546,250)	($6,327,967)	($5,879,623)	($5,285,884)
Net Cash Generated by Operations	($4,881,554)	$1,989,586	$3,156,631	$3,709,645	$3,984,120	$4,240,560	$4,485,750	$4,704,033	$5,152,377	$5,746,116
USES OF CASH:										
Payment of Debt Principal	($2,838,288)	($3,040,445)	($3,257,000)	($3,488,980)	($3,737,483)	($4,003,685)	($4,288,847)	($4,594,320)	($4,921,551)	($5,272,088)
NET INCREASE (DECREASE) IN CASH	($7,719,841)	($1,050,859)	($100,370)	$220,665	$246,637	$236,876	$196,903	$109,713	$230,826	$474,028
CASH, BEGINNING OF YEAR	$8,802,850	$1,083,009	$32,150	($68,220)	$152,445	$399,082	$635,958	$832,861	$942,574	$1,173,400
CASH, YEAR ENDING	$1,083,009	$32,150	($68,220)	$152,445	$399,082	$635,958	$832,861	$942,574	$1,173,400	$1,647,428

CentralUtah.1a-2-

Routes 1A-2 High Carload Projection

CENTRAL UTAH RAILROAD - TERMINATING TRAFFIC INPUTS

TERMINATING TRAFFIC	Miles from Last Station	Annual Carloads Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	On-Line Revenue/ Carload	Average Net Tons	Average Tare Tons	Car Hire Expense $/Mile	Car Hire Expense $/Hour	Average Days On Line Per Car
SEGMENT 1																	
Mills, Utah	0.0																
YH	11.4																
Total Terminating on Segment 1	11.4	0	0	0	0	0	0	0	0	0	0						
SEGMENT 2																	
YH	0.0																
Utah Yard	14.6	100	190	230	310	310	310	310	310	310	310	300	90	31	0.09	0.35	3
Redmond Minerals	10.0																
Salina Industrial	6.0	140	220	290	390	390	390	390	390	390	390	350	95	31	0.09	0.35	3
Total Terminating on Segment 2	30.6	240	410	520	700	700	700	700	700	700	700						
TOTAL TERMINATING	42.0	240	410	520	700	700	700	700	700	700	700						

CentralUtah 1a-2+

CENTRAL UTAH RAILROAD - ORIGINATING TRAFFIC INPUTS

ORIGINATING TRAFFIC	Miles from Last Station	Annual Carloads Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	On-Line Revenue/ Carload	Average Net Tons	Average Tare Tons	Car Hire Expense $/Mile	Car Hire Expense $/Hour	Average Days On Line Per Car
SEGMENT 1																	
Mills, Utah	0.0																
YH	11.4																
Total Originating on Segment 1	11.4	0	0	0	0	0	0	0	0	0	0						
SEGMENT 2																	
YH	0.0																
Utah Yard	14.6																
Redmond Minerals	10.0	1,000	1,700	2,200	2,800	3,000	3,000	3,000	3,000	3,000	3,000	350	100	31	0.09	0.35	3
Salina Industrial	6.0	400	1,000	1,800	2,400	2,475	2,475	2,475	2,475	2,475	2,475	350	100	31	0.09	0.35	3
Total Originating on Segment 2	30.6	1,400	2,700	4,000	5,200	5,475	5,475	5,475	5,475	5,475	5,475						
TOTAL ORIGINATING	42.0	1,400	2,700	4,000	5,200	5,475	5,475	5,475	5,475	5,475	5,475						

CentralUtah 1a-2+

CENTRAL UTAH RAILROAD - EXPENSE FACTORS - 1

DEPARTMENTAL LABOR		Number of Employees Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	$ Rate	Basis
EMPLOYEES AND WAGES													
Maintenance of Way & Structures													
Track Supervisor		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$55,000	per year
Foreman		2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	$48,000	per year
Laborers - Full-time		6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	$32,000	per year
Track Inspectors		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$36,000	per year
MAINTENANCE OF EQUIPMENT													
Supervisor		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$48,000	per year
Assistant		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$42,000	per year
Mechanics & Other Employees		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$37,500	per year
TRANSPORTATION - ROAD													
Enginemen	Hourly and/or	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$0.00	per crew-hour
	Salaried	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	$40,000	per year
Trainmen	Hourly and/or	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$0.00	per hour
	Salaried	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$36,000	per year
MARKETING AND SALES													
Customer Service Manager		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$48,000	per year
GENERAL													
General Manager		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$90,000	per year
Administrative Asst.		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$35,000	per year
Other Office Personnel		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$35,000	per year

CentralUtah1a2+

CENTRAL UTAH RAILROAD - EXPENSE FACTORS - 2

DEPARTMENTAL MATERIAL AND OTHER	Amount Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Cost	Unit
EQUIPMENT AND MATERIAL												
MAINTENANCE OF WAY												
Ties Purchased and Cost/Tie	50	50	50	50	50	50	50	2,500	50	50	$40.00	each
Rail (Tons) and Cost/Ton	10	10	10	10	10	10	100	10	10	10	$450.00	per ton
Ballast Laid (Tons) and Cost/Ton	1,000	1,000	1,000	1,000	1,000	1,000	1,000	2,000	1,000	1,000	$30.00	per ton
Other Track Material	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	--	per year
Small Tools and Operating Supplies	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	--	per year
Structures Maintenance	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	--	per year
Vegetation Control	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	--	per year
Crossings and Signals	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	--	per year
Ultra Sonic Rail Inspection	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	--	per year
Rail Welding	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	--	per year
(User Specified - MOW)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
Accrued Maintenance Expense	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
MAINTENANCE OF EQUIPMENT												
Small Tools and Operating Supplies	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	--	per year
Parts for Equipment Maintenance	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	--	per year
Freight Car Equipment Maintenance	--	--	--	--	--	--	--	--	--	--	$0.000	per car-mile
Locomotive Running Maintenance	--	--	--	--	--	--	--	--	--	--	$0.400	per unit-mile
Locomotive Heavy Maintenance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
Locomotive Contract Maintenance (# of units)	3	3	3	3	3	3	3	3	3	3	$20,000	per year
Locomotive Repair	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year

TRANSPORTATION	Unit Cost	Unit		Unit Cost	Unit			
Train Supplies and Expense	$0.003	Car/Mile	Fuel-Gal/MGTM (Road)	0.634	1000 GTM	Derailments & Injuries	$0.900	train-mile
Fuel Cost per Gallon	$1.00	Gallon	Frt Claims, % of Frt Rev	0.5%	Percent	Fuel-Gal/Hr(Idle)	5.0	road unit
Fuel - Gal/LUM (Road)	3.000	Unit/Mile				Fuel-Gal/Hr(Switching)	44.0	yard unit

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Cost	Unit
Communications Equipment Maintenance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	per year
Locomotive Rentals (Capital and Maintenance)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	per year
Joint Facilities Rents	$4,500,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	per year
OTHER EXPENSE INPUTS (G & A)												
Benefits, Percent of Direct Wages Paid	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	percent
Insurance - General Liability, Percent of Payroll	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	Percent
Fire & Theft	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	per year
Rolling Stock	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	per year
Outside Accounting/Auditing	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	per year
Legal Services	$50,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	per year
Automobile Expenses	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	per year
Office Expenses (phone, supplies, misc.)	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	per year
Utilities	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	per year
Travel and Entertainment	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	per year
Property Taxes	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	per year
Rentals - Buildings and Property	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	per year
Contingency	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	% of Oper.Exp.

CentralUtah1a-2+

CENTRAL UTAH RAILROAD - EQUIPMENT AND PROPERTY OWNED

Constn %: Year 2 30.0%	Year 1	34.0%	Year 0	36.0%		
EQUIPMENT AND PROPERTY OWNED	Dept.	Number of Units	Average Purchase Cost	Service Life	Average Age Year 0	ACRS Tax Life
Locomotives	M of E	3	$ 500,000	20	0	7
Locomotives	M of E	0	$0	0	0	7
Ballast Cars	M of E	5	$23,000	20	0	7
Flatcars	M of E	5	$12,000	20	0	7
Box cars	M of E	0	$7,500	7	0	7
Vehicles	M of E	1	$90,000	5	0	5
M of W Machinery - Hi-Rail	M of W & S	0	$38,000	7	0	7
M of W - Hi-Rail Pickup Trucks	M of W & S	2	$90,000	5	0	7
M of W - Section Trucks	M of W & S	2	$75,000	5	0	7
M of W Machinery - Other	M of W & S	0	$0	7	0	7
Vehicles - Supervision	M of W & S	1	$24,000	5	0	5
Vehicles	M of W & S	0	$0	0	0	5
Track, Road Improvements, Signals	M of W & S	–	$55,729,150	20	0	7
Bridges, Highway Crossings	M of W & S	–	$5,049,000	25	0	20
Buildings	M of W & S	–	$300,000	20	0	20
Office or Computer Equipment	G & A	0	$10,000	3	0	7
Amortizable Asset	G & A	0	$0	7	0	N/A
Total Depreciable/Amortizable Assets: Plant>>		$61,078,150	All Other>>	$2,119,000	Total>>	$63,197,150
Total Engineering, Construction, Land, Contingency			$61,078,150			

CentralUtah1a-2+

CENTRAL UTAH RAILROAD - OPERATING PLAN

OPERATING PLAN	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
					SEGMENT 1					
Units per Train	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Round Trips per Week	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Average Operating Speed (MPH)	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Average Stops per Round Trip	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Average Minutes per Stop	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
					SEGMENT 2					
Units per Train	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Round Trips per Week	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Average Operating Speed (MPH)	15.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Average Stops per Round Trip	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Average Minutes per Stop	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0

CentralUtah1a-2+

CENTRAL UTAH RAILROAD - LONG-TERM DEBT

LONG-TERM DEBT

Use Loan A for debt incurred at or prior to the beginning of Year 1. Input the remaining loan balance (end of Year 0 or beginning of Year 1) and the remaining term.

	Loan A
Annual (Simple) Interest Rate (APR)	7.0%
Loan Balance, Begin Year 1	$71,500,000
Loan Amount to be Amortized	$71,500,000
Amortized Period (Total minus grace years)	15

CentralUtah1a-2+

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 1

REVENUE	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Freight										
Originating	$490,000	$945,000	$1,400,000	$1,820,000	$1,916,250	$1,916,250	$1,916,250	$1,916,250	$1,916,250	$1,916,250
Terminating	79,000	134,000	170,500	229,500	229,500	229,500	229,500	229,500	229,500	229,500
Bridge	7,000,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000
Other Income - Demurrage	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUE	$7,569,000	$10,579,000	$11,070,500	$11,549,500	$11,645,750	$11,645,750	$11,645,750	$11,645,750	$11,645,750	$11,645,750
EXPENSES										
Maintenance of Way & Structures:										
Direct Labor	379,000	379,000	379,000	379,000	379,000	379,000	379,000	379,000	379,000	379,000
Fringe Benefits	227,400	227,400	227,400	227,400	227,400	227,400	227,400	227,400	227,400	227,400
Materials, Supplies, Other										
Ties	2,000	2,000	2,000	2,000	2,000	2,000	2,000	100,000	2,000	2,000
Rail	4,500	4,500	4,500	4,500	4,500	4,500	45,000	4,500	4,500	4,500
Ballast	30,000	30,000	30,000	30,000	30,000	30,000	30,000	60,000	30,000	30,000
Other Track Material	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Small Tools and Operating Supplies	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Structures Maintenance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Vegetation Control	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Crossings and Signals	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Depreciation:										
Track, Road Improvements, Signals	1,409,947	1,409,947	1,409,947	1,409,947	1,409,947	1,409,947	1,409,947	1,409,947	1,409,947	1,409,947
Bridges, Highway Crossings	90,377	90,377	90,377	90,377	90,377	90,377	90,377	90,377	90,377	90,377
Buildings	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870
Maintenance of Way Machinery	31,152	31,152	31,152	31,152	31,152	31,152	31,152	31,152	31,152	15,252
Vehicles	4,500	4,500	4,500	4,500	4,500	1,500	0	0	0	0
Subtotal, Maintenance of Way	$2,348,746	$2,348,746	$2,348,746	$2,348,746	$2,348,746	$2,345,746	$2,384,746	$2,472,246	$2,344,246	$2,328,346
Expenses/Miles of Road, Accelerated Depreciation Track & Structures	$19,966	$19,966	$19,966	$19,966	$19,966	$19,984	$20,823	$22,906	$19,858	$19,480

CentralUtah1a-2+

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 2

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Maintenance of Equipment:										
Direct Labor	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500
Fringe Benefits	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700
Material, Supplies, Other										
Small Tools & Operating Supplies	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Parts for Equipment Maintenance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Freight Car Equipment Maintenance	0	0	0	0	0	0	0	0	0	0
Locomotive Running Maintenance	31,558	31,558	31,558	31,558	31,558	31,558	31,558	31,558	31,558	8,566
Locomotive Heavy Maintenance	0	0	0	0	0	0	0	0	0	0
Locomotive Contract Maintenance	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Depreciation:										
Locomotives	43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500
Rolling Stock	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365
Vehicles	16,875	16,875	16,875	16,875	16,875	5,625	0	0	0	0
Subtotal Maintenance of Equipment	$302,498	$302,498	$302,498	$302,498	$302,498	$291,248	$285,623	$285,623	$285,623	$262,631
Marketing and Sales:										
Direct Labor	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000
Fringes	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800
Other	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Marketing and Sales	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800

CentralUtah1a-2+

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 3

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Transportation:										
Road										
Enginemen	$40,000	$80,000	$80,000	$80,000	$80,000	$80,000	$80,000	$80,000	$80,000	$80,000
Trainmen	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Fringe Benefits	45,600	69,600	69,600	69,600	69,600	69,600	69,600	69,600	69,600	69,600
Train Supplies and Expenses	7,399	10,241	10,562	10,863	10,925	10,925	10,925	10,925	10,925	10,925
Communications Equipment Maintenance	0	0	0	0	0	0	0	0	0	0
Fuel	425,652	473,299	478,779	483,907	484,969	484,969	484,969	484,969	484,969	263,628
Freight Claims, % of Freight Revenue	37,845	52,895	55,353	57,748	58,229	58,229	58,229	58,229	58,229	58,229
Derailments & Injuries	23,669	23,669	23,669	23,669	23,669	23,669	23,669	23,669	23,669	23,669
Locomotive Rentals (Capital + Maintenance)	0	0	0	0	0	0	0	0	0	0
Accumulated Construction Interest Expense	4,500,000	0	0	0	0	0	0	0	0	0
Subtotal Transportation	$5,116,165	$745,704	$753,963	$761,787	$763,392	$763,392	$763,392	$763,392	$763,392	$542,051
General and Administrative										
General Manager	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Administrative Assistant	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Other Office Personnel	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Fringe Benefits	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000
Freight Car Accounting	296,400	411,100	425,200	439,000	441,750	441,750	441,750	441,750	441,750	441,750
Interline Settlements	0	0	0	0	0	0	0	0	0	0
Insurance - General Liability	89,100	93,900	93,900	93,900	93,900	93,900	93,900	93,900	93,900	93,900
Fire, Theft, Rolling Stock	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Travel & Entertainment	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Outside Accounting/Auditing	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Legal Services	50,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Automobile Expenses	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Rentals - Buildings and Property	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Office Expenses (phone, supplies, misc.)	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Utilities	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Depreciation - Office or Computer Equipment	0	0	0	0	0	0	0	0	0	0
Subtotal General	857,500	947,000	961,100	974,900	977,650	977,650	977,650	977,650	977,650	977,650

CentralUtah1a-2+

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 4

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Other Expenses										
Car Hire	$24,060	$46,089	$67,561	$88,177	$92,350	$92,350	$92,350	$92,350	$92,350	$92,350
Property Taxes	0	0	0	0	0	0	0	0	0	0
Contingency	142,224	57,045	57,922	58,766	58,937	58,937	59,747	61,497	58,937	54,050
Subtotal Other	$166,284	$103,134	$125,483	$146,943	$151,287	$151,287	$152,097	$153,847	$151,287	$146,400
SUBTOTAL OPERATING EXPENSES	$8,867,994	$4,523,883	$4,568,591	$4,611,675	$4,620,374	$4,606,124	$4,640,309	$4,729,559	$4,598,999	$4,333,879
INCOME (LOSS) BEFORE INTEREST EXPENSE AND INCOME TAXES (NROI)	($1,298,994)	$6,055,117	$6,501,909	$6,937,825	$7,025,376	$7,039,626	$7,005,441	$6,916,191	$7,046,751	$7,311,871
Interest Expense on Long-Term Debt	($4,956,523)	($4,755,770)	($4,540,718)	($4,310,349)	($4,063,573)	($3,799,219)	($3,516,037)	($3,212,685)	($2,887,727)	($2,539,624)
INCOME (LOSS) BEFORE INCOME TAXES	($6,255,517)	$1,299,347	$1,961,191	$2,627,476	$2,961,803	$3,240,407	$3,489,404	$3,703,506	$4,159,024	$4,772,247

CentralUtah1a-2+

CENTRAL UTAH RAILROAD - CASH FLOW STATEMENT

SOURCES OF CASH:	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash Generated from Revenues	$6,946,890	$10,331,603	$11,030,103	$11,510,130	$11,637,839	$11,645,750	$11,645,750	$11,645,750	$11,645,750	$11,645,750
Cash Disbursed for Expenses	($11,639,542)	($8,024,136)	($7,491,280)	($7,304,114)	($7,068,690)	($6,805,007)	($6,561,359)	($6,345,197)	($5,899,126)	($5,307,821)
Net Cash Generated by Operations	($4,692,652)	$2,307,467	$3,538,823	$4,206,016	$4,569,149	$4,840,743	$5,084,391	$5,300,553	$5,746,624	$6,337,929
From Other Sources:										
Switching and Demurrage	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Sources of Cash	($4,692,652)	$2,307,467	$3,538,823	$4,206,016	$4,569,149	$4,840,743	$5,084,391	$5,300,553	$5,746,624	$6,337,929
USES OF CASH:										
Payment of Debt Principal	($2,818,577)	($3,019,330)	($3,234,382)	($3,464,751)	($3,711,528)	($3,975,881)	($4,259,064)	($4,562,415)	($4,887,373)	($5,235,477)
NET INCREASE (DECREASE) IN CASH	($7,511,229)	($711,863)	$304,441	$741,265	$857,621	$864,862	$825,327	$738,138	$859,251	$1,102,452
CASH, BEGINNING OF YEAR	$8,302,850	$791,621	$79,758	$384,199	$1,125,464	$1,983,085	$2,847,947	$3,673,274	$4,411,412	$5,270,663
CASH, YEAR ENDING	$791,621	$79,758	$384,199	$1,125,464	$1,983,085	$2,847,947	$3,673,274	$4,411,412	$5,270,663	$6,373,115

CentrailUtah1a-2+

Routes 1A-1A-3 Low Carload Projection

CENTRAL UTAH RAILROAD - TERMINATING TRAFFIC INPUTS

TERMINATING TRAFFIC	Miles from Last Station	Annual Carloads Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	On-Line Revenue/ Carload	Average Net Tons	Average Tare Tons	Car Hire Expense $/Mile	$/Hour	Average Days On Line Per Car
SEGMENT 1																	
Mills, Utah	0.0																
YH	11.4																
Total Terminating on Segment 1	11.4	0	0	0	0	0	0	0	0	0	0						
SEGMENT 2																	
YH	0.0																
Utah Yard	14.6	80	150	200	230	230	230	230	230	230	230	350	100	31	0.09	0.35	3
Redmond Minerals	10.0																
Salina Industrial	5.4	110	190	235	255	255	255	255	255	255	255	350	100	31	0.09	0.35	3
Total Terminating on Segment 2	30.0	190	340	435	485	485	485	485	485	485	485						
TOTAL TERMINATING	41.4	190	340	435	485	485	485	485	485	485	485						

CentralUtah 1a-1a-3-

CENTRAL UTAH RAILROAD - ORIGINATING TRAFFIC INPUTS

ORIGINATING TRAFFIC	Miles from Last Station	Annual Carloads Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	On-Line Revenue/ Carload	Average Net Tons	Average Tare Tons	Car Hire Expense $/Mile	$/Hour	Average Days On Line Per Car
SEGMENT 1																	
Mills, Utah	0.0																
YH	11.4																
Total Originating on Segment 1	11.4	0	0	0	0	0	0	0	0	0	0						
SEGMENT 2																	
YH	0.0																
Utah Yard	14.6																
Redmond Minerals	10.0	1,000	1,400	1,800	2,200	2,200	2,200	2,200	2,200	2,200	2,200	350	100	31	0.09	0.35	3
Salina Industrial	5.4	0	500	1,200	1,725	1,725	1,725	1,725	1,725	1,725	1,725	350	100	31	0.09	0.35	3
Total Originating on Segment 2	30.0	1,000	1,900	3,000	3,925	3,925	3,925	3,925	3,925	3,925	3,925						
TOTAL ORIGINATING	41.4	1,000	1,900	3,000	3,925	3,925	3,925	3,925	3,925	3,925	3,925						

CentralUtah 1a-1a-3-

CENTRAL UTAH RAILROAD - EXPENSE FACTORS - 1

DEPARTMENTAL LABOR		Number of Employees Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	$ Rate	Basis
EMPLOYEES AND WAGES													
Maintenance of Way & Structures													
Track Supervisor		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$55,000	per year
Foreman		2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	$48,000	per year
Laborers - Full-time		6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	$32,000	per year
Track Inspectors		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$36,000	per year
MAINTENANCE OF EQUIPMENT													
Supervisor		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$48,000	per year
Assistant		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$42,000	per year
Mechanics & Other Employees		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$37,500	per year
TRANSPORTATION - ROAD													
Enginemen	Hourly and/or	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	$15.00	per crew-hour
	Salaried	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	$20,000	per year
Trainmen	Hourly and/or	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$13.00	per hour
	Salaried	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	$20,000	per year
][poiuytre4q	mnb												
MARKETING AND SALES													
Customer Service Manager		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$48,000	per year
GENERAL													
General Manager		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$90,000	per year
Administrative Asst.		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$35,000	per year
Other Office Personnel		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$35,000	per year

CentralUtah1a-1a-3-

CENTRAL UTAH RAILROAD - EXPENSE FACTORS - 2

DEPARTMENTAL MATERIAL AND OTHER		Amount Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Cost	Unit
EQUIPMENT AND MATERIAL													
MAINTENANCE OF WAY													
Ties Purchased and Cost/Tie		50	50	50	50	50	50	50	2,500	50	50	$40.00	each
Rail (Tons) and Cost/Ton		10	10	10	10	10	10	100	10	10	10	$450.00	per ton
Ballast Laid (Tons) and Cost/Ton		1,000	1,000	1,000	1,000	1,000	1,000	1,000	2,000	1,000	1,000	$30.00	per ton
Other Track Material		$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	--	per year
Small Tools and Operating Supplies		$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	--	per year
Structures Maintenance		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	--	per year
Vegetation Control		$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	--	per year
Crossings and Signals		$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	--	per year
Ultra Sonic Rail Inspection		$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	--	per year
Rail Welding		$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	--	per year
(User Specified - MOW)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
Accrued Maintenance Expense		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
MAINTENANCE OF EQUIPMENT													
Small Tools and Operating Supplies		$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	--	per year
Parts for Equipment Maintenance		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	--	per year
Freight Car Equipment Maintenance		--	--	--	--	--	--	--	--	--	--	$0.000	per car-mile
Locomotive Running Maintenance		--	--	--	--	--	--	--	--	--	--	$0.400	per unit-mile
Locomotive Heavy Maintenance		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
Locomotive Contract Maintenance (# of units)		3	3	3	3	3	3	3	3	3	3	$20,000	per year
Locomotive Repair		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
TRANSPORTATION	**Unit Cost**	Unit				**Unit Cost**	**Unit**				$0.900	train-mile	
Train Supplies and Expense	$0.003	Car/Mile	Fuel-Gal/MGTM (Road)			0.634	1000 GTM	Derailments & Injuries			5.0	road unit	
Fuel Cost per Gallon	$1.00	Gallon	Frt Claims, % of Frt Rev			0.5%	Percent	Fuel-Gal/Hr(Idle)			44.0	yard unit	
Fuel - Gal/LUM (Road)	3.000	Unit/Mile						Fuel-Gal/Hr(Switching)			$0	per year	
Joint Facilities Rents		$4,500,000	$0	$0	$0	$0	$0	$0	$0	$0	60%	percent	
OTHER EXPENSE INPUTS (G & A)											12.0%	Percent	
Benefits, Percent of Direct Wages Paid		60%	60%	60%	60%	60%	60%	60%	60%	60%	$25,000	per year	
Insurance - General Liability, Percent of Payroll		12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	$10,000	per year	
Fire & Theft		$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$15,000	per year	
Rolling Stock		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$2,000	per year	
Outside Accounting/Auditing		$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$20,000	per year	
Legal Services		$50,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$18,000	per year	
Automobile Expenses		$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$35,000	per year	
Office Expenses (phone, supplies, misc.)		$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$36,000	per year	
Utilities		$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$25,000	per year	
Travel and Entertainment		$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$0	per year	
Property Taxes		$0	$0	$0	$0	$0	$0	$0	$0	$0	$2,000	per year	
Rentals - Buildings and Property		$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	2%	% of Oper.Exp.	
Contingency		2%	2%	2%	2%	2%	2%	2%	2%	2%			

CentralUtah1a-1a-3-

CENTRAL UTAH RAILROAD - EQUIPMENT AND PROPERTY OWNED

Constn %: Year 2 30.0%	Year 1	34.0%	Year 0	36.0%		
EQUIPMENT AND PROPERTY OWNED	Dept.	Number of Units	Average Purchase Cost	Service Life	Average Age Year 0	ACRS Tax Life
Locomotives	M of E	3	$ 500,000	20	0	7
Locomotives	M of E	0	$0	0	0	7
Ballast Cars	M of E	5	$23,000	7	0	7
Flatcars	M of E	5	$12,000	7	0	7
Box cars	M of E	0	$7,500	7	0	7
Vehicles	M of E	1	$90,000	5	0	5
M of W Machinery - Hi-Rail	M of W & S	0	$38,000	7	0	7
M of W - Hi-Rail Pickup Trucks	M of W & S	2	$90,000	5	0	7
M of W - Section Trucks	M of W & S	2	$75,000	5	0	7
M of W Machinery - Other	M of W & S	0	$0	7	0	7
Vehicles - Supervision	M of W & S	1	$24,000	5	0	5
Vehicles	M of W & S	0	$0	0	0	5
Track, Road Improvements, Signals	M of W & S	--	$53,661,640	20	0	7
Bridges, Highway Crossings	M of W & S	--	$7,815,000	25	0	20
Buildings	M of W & S	--	$300,000	20	0	20
Office or Computer Equipment	G & A	1	$10,000	3	0	7
Amortizable Asset	G & A	0	$0	7	0	N/A
Total Depreciable/Amortizable Assets: Plant>>		$61,776,640	All Other>>	$2,129,000	Total>>	$63,905,640
Total Engineering, Construction, Land, Contingency			$61,776,640			

CentralUtah1a-1a-3-

CENTRAL UTAH RAILROAD - OPERATING PLAN

OPERATING PLAN	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
					SEGMENT 1					
Units per Train	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Round Trips per Week	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Average Operating Speed (MPH)	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Average Stops per Round Trip	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Average Minutes per Stop	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
					SEGMENT 2					
Units per Train	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Round Trips per Week	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Average Operating Speed (MPH)	15.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Average Stops per Round Trip	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Average Minutes per Stop	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0

CentralUtah1a-1a-3-

CENTRAL UTAH RAILROAD - LONG-TERM DEBT

LONG-TERM DEBT

Use Loans A and B for debt incurred at or prior to the beginning of Year 1. Input the remaining loan balance (end of Year 0 or beginning of Year 1) and the remaining term.

	Loan A
Annual (Simple) Interest Rate (APR)	7.0%
Loan Balance, Begin Year 1	$73,250,000
Loan Amount to be Amortized	$73,250,000
Amortized Period (Total minus grace years)	15

CentralUtah1a-1a-3-

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 1

REVENUE	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Freight										
Originating	$350,000	$665,000	$1,050,000	$1,373,750	$1,373,750	$1,373,750	$1,373,750	$1,373,750	$1,373,750	$1,373,750
Terminating	66,500	119,000	152,250	169,750	169,750	169,750	169,750	169,750	169,750	169,750
Bridge	7,000,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000
Other Income - Demurrage	7,283	13,709	21,022	26,989	26,989	26,989	26,989	26,989	26,989	26,989
TOTAL REVENUE	$7,423,783	$10,297,709	$10,723,272	$11,070,489	$11,070,489	$11,070,489	$11,070,489	$11,070,489	$11,070,489	$11,070,489
EXPENSES										
Maintenance of Way & Structures:										
Direct Labor	379,000	379,000	379,000	379,000	379,000	379,000	379,000	379,000	379,000	379,000
Fringe Benefits	227,400	227,400	227,400	227,400	227,400	227,400	227,400	227,400	227,400	227,400
Materials, Supplies, Other										
Ties	2,000	2,000	2,000	2,000	2,000	2,000	2,000	100,000	2,000	2,000
Rail	4,500	4,500	4,500	4,500	4,500	4,500	45,000	4,500	4,500	4,500
Ballast	30,000	30,000	30,000	30,000	30,000	30,000	30,000	60,000	30,000	30,000
Other Track Material	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Small Tools and Operating Supplies	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Structures Maintenance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Vegetation Control	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Crossings and Signals	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Accrued Maintenance Expense	0	0	0	0	0	0	0	0	0	0
Ultra Sonic Rail Inspection	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Rail Welding	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Depreciation:										
Track, Road Improvements, Signals	1,357,639	1,357,639	1,357,639	1,357,639	1,357,639	1,357,639	1,357,639	1,357,639	1,357,639	1,357,639
Bridges, Highway Crossings	139,889	139,889	139,889	139,889	139,889	139,889	139,889	139,889	139,889	139,889
Buildings	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870
Maintenance of Way Machinery	31,152	31,152	31,152	31,152	31,152	31,152	31,152	31,152	31,152	15,252
Vehicles	4,500	4,500	4,500	4,500	4,500	1,500	0	0	0	0
Subtotal, Maintenance of Way	$2,381,950	$2,381,950	$2,381,950	$2,381,950	$2,381,950	$2,378,950	$2,417,950	$2,505,450	$2,377,450	$2,361,550
Expenses/Miles of Road, Accelerated Depreciation Track & Structures	$21,124	$21,124	$21,124	$21,124	$21,124	$21,052	$21,994	$24,108	$21,016	$20,632

CentralUtah1a-1a-3-

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 2

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Maintenance of Equipment:										
Direct Labor	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500
Fringe Benefits	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700
Material, Supplies, Other										
Small Tools & Operating Supplies	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Parts for Equipment Maintenance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Locomotive Running Maintenance	31,108	31,108	31,108	31,108	31,108	31,108	31,108	31,108	31,108	31,108
Locomotive Contract Maintenance	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Depreciation:										
Locomotives	43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500
Rolling Stock	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365
Vehicles	16,875	16,875	16,875	16,875	16,875	5,625	0	0	0	0
Subtotal Maintenance of Equipment	$302,048	$302,048	$302,048	$302,048	$302,048	$290,798	$285,173	$285,173	$285,173	$285,173
Marketing and Sales:										
Direct Labor	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000
Fringes	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800
Subtotal Marketing and Sales	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800

CentralUtah1a-1a-3-

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 3

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Transportation:										
Road										
Enginemen	$75,879	$111,183	$111,183	$111,183	$111,183	$111,183	$111,183	$111,183	$111,183	$111,183
Trainmen	67,095	63,025	63,025	63,025	63,025	63,025	63,025	63,025	63,025	63,025
Fringe Benefits	85,784	104,525	104,525	104,525	104,525	104,525	104,525	104,525	104,525	104,525
Train Supplies and Expenses	7,192	9,779	9,876	9,969	9,969	9,969	9,969	9,969	9,969	9,969
Communications Equipment Maintenance	0	0	0	0	0	0	0	0	0	0
Fuel	418,674	461,987	463,655	465,238	465,238	465,238	465,238	465,238	465,238	465,238
Freight Claims, % of Freight Revenue	37,083	51,420	53,511	55,218	55,218	55,218	55,218	55,218	55,218	55,218
Derailments & Injuries	23,331	23,331	23,331	23,331	23,331	23,331	23,331	23,331	23,331	23,331
Locomotive Rentals (Capital + Maintenance)	0	0	0	0	0	0	0	0	0	0
Accumulated Construction Interest Expense	4,500,000	0	0	0	0	0	0	0	0	0
Subtotal Transportation	$5,215,038	$825,250	$829,106	$832,489	$832,489	$832,489	$832,489	$832,489	$832,489	$832,489
General and Administrative										
General Manager	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Administrative Assistant	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Other Office Personnel	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Fringe Benefits	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000
Freight Car Accounting	291,900	402,400	414,350	424,100	424,100	424,100	424,100	424,100	424,100	424,100
Interline Settlements	0	0	0	0	0	0	0	0	0	0
Insurance - General Liability	97,137	100,885	100,885	100,885	100,885	100,885	100,885	100,885	100,885	100,885
Fire, Theft, Rolling Stock	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Travel & Entertainment	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Outside Accounting/Auditing	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Legal Services	50,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Automobile Expenses	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Rentals - Buildings and Property	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Office Expenses (phone, supplies, misc.)	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Utilities	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Depreciation - Office or Computer Equipment	948	948	948	948	948	948	948	948	948	948
Subtotal General	861,985	946,233	958,183	967,933	967,933	967,933	967,933	967,933	967,933	967,933

CentralUtah1a-1a-3-

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 4

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Other Expenses										
Car Hire	$17,088	$29,001	$41,965	$52,933	$52,933	$52,933	$52,933	$52,933	$52,933	$52,933
Property Taxes	0	0	0	0	0	0	0	0	0	0
Contingency	144,843	58,971	59,546	60,028	60,028	60,028	60,838	62,588	60,028	60,028
Subtotal Other	$161,931	$87,972	$101,511	$112,961	$112,961	$112,961	$113,771	$115,521	$112,961	$112,961
SUBTOTAL OPERATING EXPENSES	$8,999,750	$4,620,251	$4,649,597	$4,674,179	$4,674,179	$4,659,929	$4,694,114	$4,783,364	$4,652,804	$4,636,904
INCOME (LOSS) BEFORE INTEREST EXPENSE AND INCOME TAXES (NROI)	($1,575,967)	$5,677,458	$6,073,675	$6,396,310	$6,396,310	$6,410,560	$6,376,375	$6,287,125	$6,417,685	$6,433,585
Interest Expense on Long-Term Debt	$5,077,837	$4,872,170	$4,651,855	$4,415,847	$4,163,031	$3,892,207	$3,602,094	$3,291,317	$2,958,406	$2,601,782
INCOME (LOSS) BEFORE INCOME TAXES	($6,653,804)	$805,288	$1,421,821	$1,980,462	$2,233,279	$2,518,353	$2,774,281	$2,995,808	$3,459,279	$3,831,803

CentralUtah1a-1a-3-

Routes 1A-1A-3 High Carload Projection

CENTRAL UTAH RAILROAD - TERMINATING TRAFFIC INPUTS

TERMINATING TRAFFIC	Miles from Last Station	Annual Carloads Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	On-Line Revenue/ Carload	Average Net Tons	Average Tare Tons	Car Hire Expense $/Mile	$/Hour	Average Days On Line Per Car
SEGMENT 1																	
Mills, Utah	0.0																
YH	11.4																
Total Terminating on Segment 1	11.4	0	0	0	0	0	0	0	0	0	0						
SEGMENT 2																	
YH	0.0																
Utah Yard	14.6	100	190	230	310	310	310	310	310	310	310	350	100	31	0.09	0.35	3
Redmond Minerals	10.0																
Salina Industrial	5.4	140	220	290	390	390	390	390	390	390	390	350	100	31	0.09	0.35	3
Total Terminating on Segment 2	30.0	240	410	520	700	700	700	700	700	700	700						
TOTAL TERMINATING	41.4	240	410	520	700	700	700	700	700	700	700						

CentralUtah 1a-1a-3+

CENTRAL UTAH RAILROAD - ORIGINATING TRAFFIC INPUTS

ORIGINATING TRAFFIC	Miles from Last Station	Annual Carloads Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	On-Line Revenue/ Carload	Average Net Tons	Average Tare Tons	Car Hire Expense $/Mile	$/Hour	Average Days On Line Per Car
SEGMENT 1																	
Mills, Utah	0.0																
YH	11.4																
Total Originating on Segment 1	11.4	0	0	0	0	0	0	0	0	0	0						
SEGMENT 2																	
YH	0.0																
Utah Yard	14.6																
Redmond Minerals	10.0	1,000	1,700	2,200	2,800	3,000	3,000	3,000	3,000	3,000	3,000	350	100	31	0.09	0.35	3
Salina Industrial	5.4	400	1,000	1,800	2,400	2,475	2,475	2,475	2,475	2,475	2,475	350	100	31	0.09	0.35	3
Total Originating on Segment 2	30.0	1,400	2,700	4,000	5,200	5,475	5,475	5,475	5,475	5,475	5,475						
TOTAL ORIGINATING	41.4	1,400	2,700	4,000	5,200	5,475	5,475	5,475	5,475	5,475	5,475						

CentralUtah 1a-1a-3+

CENTRAL UTAH RAILROAD - EXPENSE FACTORS - 1

DEPARTMENTAL LABOR		Number of Employees Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	$ Rate	Basis
EMPLOYEES AND WAGES													
Maintenance of Way & Structures													
Track Supervisor		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$55,000	per year
Foreman		2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	$48,000	per year
Laborers - Full-time		6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	$32,000	per year
Track Inspectors		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$36,000	per year
MAINTENANCE OF EQUIPMENT													
Supervisor		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$48,000	per year
Assistant		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$42,000	per year
Mechanics & Other Employees		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$37,500	per year
TRANSPORTATION - ROAD													
Enginemen	Hourly and/or	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$15.00	per crew-hour
	Salaried	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	$40,000	per year
Trainmen	Hourly and/or	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$13.00	per year
	Salaried	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$36,000	per year
MARKETING AND SALES													
Customer Service Manager		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$48,000	per year
GENERAL													
General Manager		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$90,000	per year
Administrative Asst.		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$35,000	per year
Other Office Personnel		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$35,000	per year

CentralUtah1a-1a-3+

CENTRAL UTAH RAILROAD - EXPENSE FACTORS - 2

DEPARTMENTAL MATERIAL AND OTHER		Amount Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Cost	Unit
EQUIPMENT AND MATERIAL													
MAINTENANCE OF WAY													
Ties Purchased and Cost/Tie		50	50	50	50	50	50	50	2,500	50	50	$40.00	each
Rail (Tons) and Cost/Ton		10	10	10	10	10	10	100	10	10	10	$450.00	per ton
Ballast Laid (Tons) and Cost/Ton		1,000	1,000	1,000	1,000	1,000	1,000	1,000	2,000	1,000	1,000	$30.00	per ton
Other Track Material		$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	--	per year
Small Tools and Operating Supplies		$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000	--	per year
Structures Maintenance		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	--	per year
Vegetation Control		$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	--	per year
Crossings and Signals		$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	--	per year
Ultra Sonic Rail Inspection		$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	$16,000	--	per year
Rail Welding		$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	--	per year
(User Specified - MOW)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
Accrued Maintenance Expense		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
MAINTENANCE OF EQUIPMENT													
Small Tools and Operating Supplies		$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	--	per year
Parts for Equipment Maintenance		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	--	per year
Freight Car Equipment Maintenance		--	--	--	--	--	--	--	--	--	--	$0.000	per car-mile
Locomotive Running Maintenance		--	--	--	--	--	--	--	--	--	--	$0.400	per unit-mile
Locomotive Heavy Maintenance		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
Locomotive Contract Maintenance (# of units)		3	3	3	3	3	3	3	3	3	3	$20,000	per year
Locomotive Repair		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
TRANSPORTATION	**Unit Cost**	Unit				**Unit Cost**	**Unit**				$0.900	train-mile	
Train Supplies and Expense	$0.003	Car/Mile	Fuel-Gal/MGTM (Road)			0.634	1000 GTM	Derailments & Injuries			5.0	road unit	
Fuel Cost per Gallon	$1.00	Gallon	Frt Claims, % of Frt Rev			0.5%	Percent	Fuel-Gal/Hr(Idle)			44.0	yard unit	
Fuel - Gal/LUM (Road)	3.000	Unit/Mile						Fuel-Gal/Hr(Switching)			$0	per year	
Joint Facilities Rents		$4,500,000	$0	$0	$0	$0	$0	$0	$0	$0	60%	percent	
OTHER EXPENSE INPUTS (G & A)											12.0%	Percent	
Benefits, Percent of Direct Wages Paid		60%	60%	60%	60%	60%	60%	60%	60%	60%	$25,000	per year	
Insurance - General Liability, Percent of Payroll		12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	$10,000	per year	
Fire & Theft		$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$15,000	per year	
Rolling Stock		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$50,000	per year	
Outside Accounting/Auditing		$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$18,000	per year	
Legal Services		$50,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$35,000	per year	
Automobile Expenses		$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$36,000	per year	
Office Expenses (phone, supplies, misc.)		$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$25,000	per year	
Utilities		$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$36,000	$0	per year	
Travel and Entertainment		$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$2,000	per year	
Property Taxes		$0	$0	$0	$0	$0	$0	$0	$0	$0	2%	% of Oper.Exp.	
Rentals - Buildings and Property		$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000			
Contingency		2%	2%	2%	2%	2%	2%	2%	2%	2%			

CentralUtah1a-1a-3+

CENTRAL UTAH RAILROAD - EQUIPMENT AND PROPERTY OWNED

Constn %: Year 2 30.0%	Year 1	34.0%	Year 0	36.0%		
EQUIPMENT AND PROPERTY OWNED	Dept.	Number of Units	Average Purchase Cost	Service Life	Average Age Year 0	ACRS Tax Life
Locomotives	M of E	3	$ 500,000	20	0	7
Ballast Cars	M of E	5	$23,000	7	0	7
Flatcars	M of E	5	$12,000	7	0	7
Box cars	M of E	0	$7,500	7	0	7
Vehicles	M of E	1	$90,000	5	0	5
M of W Machinery - Hi-Rail	M of W & S	0	$38,000	7	0	7
M of W - Hi-Rail Pickup Trucks	M of W & S	2	$90,000	5	0	7
M of W - Section Trucks	M of W & S	2	$75,000	5	0	7
Vehicles - Supervision	M of W & S	1	$24,000	5	0	5
Track, Road Improvements, Signals	M of W & S	--	$53,661,640	20	0	7
Bridges, Highway Crossings	M of W & S	--	$7,815,000	25	0	20
Buildings	M of W & S	--	$300,000	20	0	20
Office or Computer Equipment	G & A	1	$10,000	3	0	7
Total Depreciable/Amortizable Assets: Plant>>		$61,776,640	All Other>>	$2,129,000	Total>>	$63,905,640
Total Engineering, Construction, Land, Contingency			$61,776,640			

CentralUtah1a-1a-3+

CENTRAL UTAH RAILROAD - OPERATING PLAN

OPERATING PLAN	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
					SEGMENT 1					
Units per Train	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Round Trips per Week	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Average Operating Speed (MPH)	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Average Stops per Round Trip	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Average Minutes per Stop	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
					SEGMENT 2					
Units per Train	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Round Trips per Week	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Average Operating Speed (MPH)	15.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Average Stops per Round Trip	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Average Minutes per Stop	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0

CentralUtah1a-1a-3+

CENTRAL UTAH RAILROAD - LONG-TERM DEBT

LONG-TERM DEBT

Use Loan A for debt incurred at or prior to the beginning of Year 1. Input the remaining loan balance (end of Year 0 or beginning of Year 1) and the remaining term.

	Loan A
Annual (Simple) Interest Rate (APR)	7.0%
Loan Balance, Begin Year 1	$72,500,000
Loan Amount to be Amortized	$72,500,000
Amortized Period (Total minus grace years)	15

CentralUtah1a-1a-3+

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 1

REVENUE	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Freight										
Originating	$490,000	$945,000	$1,400,000	$1,820,000	$1,916,250	$1,916,250	$1,916,250	$1,916,250	$1,916,250	$1,916,250
Terminating	84,000	143,500	182,000	245,000	245,000	245,000	245,000	245,000	245,000	245,000
Bridge	7,000,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000
Other Income - Demurrage	10,037	19,033	27,662	36,108	37,791	37,791	37,791	37,791	37,791	37,791
TOTAL REVENUE	$7,584,037	$10,607,533	$11,109,662	$11,601,108	$11,699,041	$11,699,041	$11,699,041	$11,699,041	$11,699,041	$11,699,041
EXPENSES										
Maintenance of Way & Structures:										
Direct Labor	379,000	379,000	379,000	379,000	379,000	379,000	379,000	379,000	379,000	379,000
Fringe Benefits	227,400	227,400	227,400	227,400	227,400	227,400	227,400	227,400	227,400	227,400
Materials, Supplies, Other										
Ties	2,000	2,000	2,000	2,000	2,000	2,000	2,000	100,000	2,000	2,000
Rail	4,500	4,500	4,500	4,500	4,500	4,500	45,000	4,500	4,500	4,500
Ballast	30,000	30,000	30,000	30,000	30,000	30,000	30,000	60,000	30,000	30,000
Other Track Material	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Small Tools and Operating Supplies	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Structures Maintenance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Vegetation Control	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Crossings and Signals	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Ultra Sonic Rail Inspection	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Rail Welding	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Depreciation:										
Track, Road Improvements, Signals	1,357,639	1,357,639	1,357,639	1,357,639	1,357,639	1,357,639	1,357,639	1,357,639	1,357,639	1,357,639
Bridges, Highway Crossings	139,889	139,889	139,889	139,889	139,889	139,889	139,889	139,889	139,889	139,889
Buildings	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870
Maintenance of Way Machinery	31,152	31,152	31,152	31,152	31,152	31,152	31,152	31,152	31,152	15,252
Vehicles	4,500	4,500	4,500	4,500	4,500	1,500	0	0	0	0
Subtotal, Maintenance of Way	$2,381,950	$2,381,950	$2,381,950	$2,381,950	$2,381,950	$2,378,950	$2,417,950	$2,505,450	$2,377,450	$2,361,550
Expenses/Miles of Road, Accelerated Depreciation Track & Structures	$21,124	$21,124	$21,124	$21,124	$21,124	$21,052	$21,994	$24,108	$21,016	$20,632

CentralUtah1a-1a-3+

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 2

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Maintenance of Equipment:										
Direct Labor	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500
Fringe Benefits	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700
Material, Supplies, Other										
Small Tools & Operating Supplies	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Parts for Equipment Maintenance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Locomotive Running Maintenance	31,108	31,108	31,108	31,108	31,108	31,108	31,108	31,108	31,108	31,108
Locomotive Contract Maintenance	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Depreciation:										
Locomotives	43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500	43,500
Rolling Stock	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365
Vehicles	16,875	16,875	16,875	16,875	16,875	5,625	0	0	0	0
Subtotal Maintenance of Equipment	$302,048	$302,048	$302,048	$302,048	$302,048	$290,798	$285,173	$285,173	$285,173	$285,173
Marketing and Sales:										
Direct Labor	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000	$48,000
Fringes	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800	$28,800
Subtotal Marketing and Sales	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800	$76,800

CentralUtah1a-1a-3+

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 3

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Transportation:										
Road										
Enginemen	$75,879	$111,183	$111,183	$111,183	$111,183	$111,183	$111,183	$111,183	$111,183	$111,183
Trainmen	67,095	63,025	63,025	63,025	63,025	63,025	63,025	63,025	63,025	63,025
Fringe Benefits	85,784	104,525	104,525	104,525	104,525	104,525	104,525	104,525	104,525	104,525
Train Supplies and Expenses	7,296	10,100	10,418	10,717	10,779	10,779	10,779	10,779	10,779	10,779
Fuel	420,463	467,489	472,927	478,030	479,088	479,088	479,088	479,088	479,088	479,088
Freight Claims, % of Freight Revenue	37,870	52,943	55,410	57,825	58,306	58,306	58,306	58,306	58,306	58,306
Derailments & Injuries	23,331	23,331	23,331	23,331	23,331	23,331	23,331	23,331	23,331	23,331
Accumulated Construction Interest Expense	4,500,000	0	0	0	0	0	0	0	0	0
Subtotal Transportation	$5,217,718	$832,596	$840,819	$848,636	$850,237	$850,237	$850,237	$850,237	$850,237	$850,237
General and Administrative										
General Manager	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Administrative Assistant	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Other Office Personnel	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Fringe Benefits	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000
Freight Car Accounting	296,400	411,100	425,200	439,000	441,750	441,750	441,750	441,750	441,750	441,750
Insurance - General Liability	97,137	100,885	100,885	100,885	100,885	100,885	100,885	100,885	100,885	100,885
Fire, Theft, Rolling Stock	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Travel & Entertainment	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Outside Accounting/Auditing	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Legal Services	50,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Automobile Expenses	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Rentals - Buildings and Property	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Office Expenses (phone, supplies, misc.)	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Utilities	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Depreciation - Office or Computer Equipment	948	948	948	948	948	948	948	948	948	948
Subtotal General	866,485	954,933	969,033	982,833	985,583	985,583	985,583	985,583	985,583	985,583

CentralUtah1a-1a-3+

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 4

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Other Expenses										
Car Hire	$24,006	$45,960	$67,342	$87,885	$92,049	$92,049	$92,049	$92,049	$92,049	$92,049
Property Taxes	0	0	0	0	0	0	0	0	0	0
Contingency	145,125	59,631	60,505	61,348	61,519	61,519	62,329	64,079	61,519	61,519
Subtotal Other	$169,131	$105,591	$127,847	$149,233	$153,568	$153,568	$154,378	$156,128	$153,568	$153,568
SUBTOTAL OPERATING EXPENSES	$9,014,133	$4,653,916	$4,698,496	$4,741,498	$4,750,184	$4,735,934	$4,770,119	$4,859,369	$4,728,809	$4,712,909
INCOME (LOSS) BEFORE INTEREST EXPENSE AND INCOME TAXES (NROI)	($1,430,096)	$5,953,617	$6,411,166	$6,859,610	$6,948,857	$6,963,107	$6,928,922	$6,839,672	$6,970,232	$6,986,132
Interest Expense on Long-Term Debt	($5,025,845)	($4,822,284)	($4,604,225)	($4,370,634)	($4,120,406)	($3,852,355)	($3,565,212)	($3,257,618)	($2,928,115)	($2,575,143)
INCOME (LOSS) BEFORE INCOME TAXES	($6,455,941)	$1,131,333	$1,806,941	$2,488,976	$2,828,451	$3,110,752	$3,363,710	$3,582,054	$4,042,117	$4,410,989

CentralUtah1a-1a-3+

CENTRAL UTAH RAILROAD - CASH FLOW STATEMENT

SOURCES OF CASH:	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash Generated from Revenues	$6,950,655	$10,339,993	$11,040,729	$11,524,607	$11,653,201	$11,661,250	$11,661,250	$11,661,250	$11,661,250	$11,661,250
Cash Disbursed for Expenses	($11,844,477)	($8,223,830)	($7,686,550)	($7,496,076)	($7,257,183)	($6,989,801)	($6,742,193)	($6,521,789)	($6,071,172)	($5,712,590)
Net Cash Generated by Operations	($4,893,822)	$2,116,163	$3,354,179	$4,028,531	$4,396,018	$4,671,449	$4,919,057	$5,139,461	$5,590,078	$5,948,660
From Other Sources:										
Switching and Demurrage	$10,037	$19,033	$27,662	$36,108	$37,791	$37,791	$37,791	$37,791	$37,791	$37,791
Total Sources of Cash	($4,883,785)	$2,135,196	$3,381,841	$4,064,639	$4,433,809	$4,709,240	$4,956,848	$5,177,252	$5,627,869	$5,986,451
USES OF CASH:										
Payment of Debt Principal	($2,857,998)	($3,061,559)	($3,279,618)	($3,513,209)	($3,763,437)	($4,031,488)	($4,318,631)	($4,626,225)	($4,955,728)	($5,308,700)
NET INCREASE (DECREASE) IN CASH	($7,741,783)	($926,363)	$102,223	$551,430	$670,372	$677,752	$638,217	$551,027	$672,141	$677,751
CASH, BEGINNING OF YEAR	$8,594,360	$852,577	($73,786)	$28,437	$579,867	$1,250,239	$1,927,991	$2,566,208	$3,117,235	$3,789,376
CASH, YEAR ENDING	$852,577	($73,786)	$28,437	$579,867	$1,250,239	$1,927,991	$2,566,208	$3,117,235	$3,789,376	$4,467,127

CentralUtah1a-1a-3+

Routes 1A-2 Low Carload Projection – No Debt

CENTRAL UTAH RAILROAD - TERMINATING TRAFFIC INPUTS - NO DEBT

TERMINATING TRAFFIC	Miles from Last Station	Annual Carloads Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	On-Line Revenue/ Carload	Average Net Tons	Average Tare Tons	Car Hire Expense $/Mile	Car Hire Expense $/Hour	Average Days On Line Per Car
SEGMENT 1																	
Mills, Utah	0.0																
YH	11.4																
Total Terminating on Segment 1	11.4	0	0	0	0	0	0	0	0	0	0						
SEGMENT 2																	
YH	0.0																
Utah Yard	14.6	230	230	230	230	230	230	230	230	230	230	300	90	31	0.09	0.35	3
Redmond Minerals	10.0																
Salina Industrial	6.0	255	255	255	255	255	255	255	255	255	255	350	95	31	0.09	0.35	3
Total Terminating on Segment 2	30.6	485	485	485	485	485	485	485	485	485	485						
TOTAL TERMINATING	42.0	485	485	485	485	485	485	485	485	485	485						

CentralUtahNoDebt

CENTRAL UTAH RAILROAD - ORIGINATING TRAFFIC INPUTS - NO DEBT

ORIGINATING TRAFFIC	Miles from Last Station	Annual Carloads Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	On-Line Revenue/ Carload	Average Net Tons	Average Tare Tons	Car Hire Expense $/Mile	Car Hire Expense $/Hour	Average Days On Line Per Car
SEGMENT 1																	
Mills, Utah	0.0																
YH	11.4																
Total Originating on Segment 1	11.4	0	0	0	0	0	0	0	0	0	0						
SEGMENT 2																	
YH	0.0																
Utah Yard	14.6																
Redmond Minerals	10.0	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	350	100	31	0.09	0.35	3
Salina Industrial	6.0	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	350	100	31	0.09	0.35	3
Total Originating on Segment 2	30.6	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925						
TOTAL ORIGINATING	42.0	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925						

CentralUtahNoDebt

CENTRAL UTAH RAILROAD - EXPENSE FACTORS - 1 - NO DEBT

DEPARTMENTAL LABOR		Number of Employees Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	$ Rate	Basis
EMPLOYEES AND WAGES													
Maintenance of Way & Structures													
Track Supervisor		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$55,000	per year
Foreman		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$48,000	per year
Laborers - Full-time		3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	$32,000	per year
Track Inspectors		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$36,000	per year
MAINTENANCE OF EQUIPMENT													
Assistant		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$42,000	per year
Mechanics & Other Employees		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$37,500	per year
TRANSPORTATION - ROAD													
Enginemen	Hourly and/or	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$0.00	per crew-hour
	Salaried	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$40,000	per year
Trainmen	Hourly and/or	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$0.00	per hour
	Salaried	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$36,000	per year
MARKETING AND SALES													
Customer Service Manager		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$48,000	per year
GENERAL													
General Manager		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$75,000	per year
Administrative Asst.		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$35,000	per year
Other Office Personnel		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	$35,000	per year

CentralUtahNoDebt

CENTRAL UTAH RAILROAD - EXPENSE FACTORS - 2 - NO DEBT

DEPARTMENTAL MATERIAL AND OTHER		Amount Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Cost	Unit
EQUIPMENT AND MATERIAL													
MAINTENANCE OF WAY													
Ties Purchased and Cost/Tie		50	50	50	50	50	50	50	1,250	50	50	$40.00	each
Rail (Tons) and Cost/Ton		5	5	5	5	5	5	10	10	10	10	$450.00	per ton
Ballast Laid (Tons) and Cost/Ton		250	250	250	250	250	250	250	2,000	250	250	$30.00	per ton
Other Track Material		$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	$8,000	--	per year
Small Tools and Operating Supplies		$12,000	$12,000	$12,000	$12,000	$12,000	$12,000	$12,000	$12,000	$12,000	$12,000	--	per year
Structures Maintenance		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	--	per year
Vegetation Control		$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	--	per year
Crossings and Signals		$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	--	per year
Ultra Sonic Rail Inspection		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
Rail Welding		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
(User Specified - MOW)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
Accrued Maintenance Expense		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
MAINTENANCE OF EQUIPMENT													
Small Tools and Operating Supplies		$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	--	per year
Parts for Equipment Maintenance		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	--	per year
Freight Car Equipment Maintenance		--	--	--	--	--	--	--	--	--	--	$0.000	per car-mile
Locomotive Running Maintenance		--	--	--	--	--	--	--	--	--	--	$0.400	per unit-mile
Locomotive Heavy Maintenance		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
Locomotive Contract Maintenance (# of units)		3	3	3	3	3	3	3	3	3	3	$12,000	per year
Locomotive Repair		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	--	per year
TRANSPORTATION	**Unit Cost**	Unit				**Unit Cost**	**Unit**						
Train Supplies and Expense	$0.003	Car/Mile	Fuel-Gal/MGTM (Road)			0.634	1000 GTM	Derailments & Injuries			$0.900	train-mile	
Fuel Cost per Gallon	$1.00	Gallon	Frt Claims, % of Frt Rev			0.5%	Percent	Fuel-Gal/Hr(Idle)			5.0	road unit	
Fuel - Gal/LUM (Road)	3.000	Unit/Mile						Fuel-Gal/Hr(Switching)			44.0	yard unit	
Joint Facilities Rents		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	per year	
OTHER EXPENSE INPUTS (G & A)													
Benefits, Percent of Direct Wages Paid		60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	percent	
Insurance - General Liability, Percent of Payroll		12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	Percent	
Fire & Theft		$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	per year	
Rolling Stock		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	per year	
Outside Accounting/Auditing		$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	per year	
Legal Services		$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000	per year	
Automobile Expenses		$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	per year	
Office Expenses (phone, supplies, misc.)		$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	$18,000	per year	
Utilities		$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	per year	
Travel and Entertainment		$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	per year	
Property Taxes		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	per year	
Rentals - Buildings and Property		$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	per year	
Contingency		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	% of Oper.Exp.	

CentralUtahNoDebt

CENTRAL UTAH RAILROAD - EQUIPMENT AND PROPERTY OWNED - NO DEBT

Constn %: Year 2 30.0%	Year 1	34.0%	Year 0	36.0%		
EQUIPMENT AND PROPERTY OWNED	Dept.	Number of Units	Average Purchase Cost	Service Life	Average Age Year 0	ACRS Tax Life
Locomotives	M of E	2	$ 200,000	20	0	7
Locomotives	M of E	0	$0	0	0	7
Ballast Cars	M of E	5	$23,000	20	0	7
Flatcars	M of E	5	$12,000	20	0	7
Box cars	M of E	0	$7,500	7	0	7
Vehicles	M of E	0	$90,000	5	0	5
M of W Machinery - Hi-Rail	M of W & S	0	$38,000	7	0	7
M of W - Hi-Rail Pickup Trucks	M of W & S	1	$90,000	5	0	7
M of W - Section Trucks	M of W & S	1	$75,000	5	0	7
M of W Machinery - Other	M of W & S	0	$0	7	0	7
Vehicles - Supervision	M of W & S	1	$24,000	5	0	5
Vehicles	M of W & S	0	$0	0	0	5
Track, Road Improvements, Signals	M of W & S	--	$0	20	0	7
Bridges, Highway Crossings	M of W & S	--	$0	25	0	20
Buildings	M of W & S	--	$300,000	20	0	20
Office or Computer Equipment	G & A	0	$10,000	3	0	7
Amortizable Asset	G & A	0	$0	7	0	N/A
Total Depreciable/Amortizable Assets: Plant>>		$300,000	All Other>>	$764,000	Total>>	$1,064,000
Total Engineering, Construction, Land, Contingency			$300,000			

CentralUtahNoDebt

CENTRAL UTAH RAILROAD - OPERATING PLAN- NO DEBT

OPERATING PLAN	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
					SEGMENT 1					
Units per Train	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Round Trips per Week	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Average Operating Speed (MPH)	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Average Stops per Round Trip	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Average Minutes per Stop	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
					SEGMENT 2					
Units per Train	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Round Trips per Week	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Average Operating Speed (MPH)	15.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Average Stops per Round Trip	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Average Minutes per Stop	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0

CentralUtahNoDebt

CENTRAL UTAH RAILROAD - NO DEBT

LONG-TERM DEBT

Use Loans A and B for debt incurred at or prior to the beginning of Year 1. Input the remaining loan balance (end of Year 0 or beginning of Year 1) and the remaining term.

	Loan A
Annual (Simple) Interest Rate (APR)	7.0%
Loan Balance, Begin Year 1	$1,200,000
Loan Amount to be Amortized	$1,200,000
Amortized Period (Total minus grace years)	15

CentralUtahNoDebt

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 1 - NO DEBT

REVENUE	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Freight										
Originating	$1,373,750	$1,373,750	$1,373,750	$1,373,750	$1,373,750	$1,373,750	$1,373,750	$1,373,750	$1,373,750	$1,373,750
Terminating	158,250	158,250	158,250	158,250	158,250	158,250	158,250	158,250	158,250	158,250
Bridge	0	0	0	0	0	0	0	0	0	0
Other Income - Demurrage	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUE	$1,532,000	$1,532,000	$1,532,000	$1,532,000	$1,532,000	$1,532,000	$1,532,000	$1,532,000	$1,532,000	$1,532,000
EXPENSES										
Maintenance of Way & Structures:										
Direct Labor	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000
Fringe Benefits	90,600	90,600	90,600	90,600	90,600	90,600	90,600	90,600	90,600	90,600
Materials, Supplies, Other										
Ties	2,000	2,000	2,000	2,000	2,000	2,000	2,000	50,000	2,000	2,000
Rail	2,250	2,250	2,250	2,250	2,250	2,250	4,500	4,500	4,500	4,500
Ballast	7,500	7,500	7,500	7,500	7,500	7,500	7,500	60,000	7,500	7,500
Other Track Material	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Small Tools and Operating Supplies	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Structures Maintenance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Vegetation Control	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Crossings and Signals	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Accrued Maintenance Expense	0	0	0	0	0	0	0	0	0	0
Ultra Sonic Rail Inspection	0	0	0	0	0	0	0	0	0	0
Rail Welding	0	0	0	0	0	0	0	0	0	0
Depreciation:										
Track, Road Improvements, Signals	0	0	0	0	0	0	0	0	0	0
Bridges, Highway Crossings	0	0	0	0	0	0	0	0	0	0
Buildings	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870	9,870
Maintenance of Way Machinery	15,576	15,576	15,576	15,576	15,576	15,576	15,576	15,576	15,576	7,626
Vehicles	4,500	4,500	4,500	4,500	4,500	1,500	0	0	0	0
Subtotal, Maintenance of Way	$353,296	$353,296	$353,296	$353,296	$353,296	$350,296	$351,046	$451,546	$351,046	$343,096
Expenses/Miles of Road, Accelerated Depreciation Track & Structures	$8,177	$8,177	$8,177	$8,177	$8,177	$8,105	$8,123	$10,516	$8,123	$7,934

CentralUtahNoDebt

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 2 - NO DEBT

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Maintenance of Equipment:										
Direct Labor	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500	$79,500
Fringe Benefits	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700
Material, Supplies, Other										
Small Tools & Operating Supplies	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Parts for Equipment Maintenance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Locomotive Running Maintenance	8,766	8,766	8,766	8,766	8,766	8,766	8,766	8,766	8,766	8,766
Locomotive Contract Maintenance	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Depreciation:										
Locomotives	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600
Rolling Stock	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365	8,365
Vehicles	0	0	0	0	0	0	0	0	0	0
Subtotal Maintenance of Equipment	$206,931	$206,931	$206,931	$206,931	$206,931	$206,931	$206,931	$206,931	$206,931	$206,931
Marketing and Sales:										
Direct Labor	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Fringes	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Marketing and Sales	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

CentralUtahNoDebt

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 3 - NO DEBT

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Transportation:										
Road										
Enginemen	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000
Trainmen	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Fringe Benefits	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600
Train Supplies and Expenses	965	965	965	965	965	965	965	965	965	965
Communications Equipment Maintenance	0	0	0	0	0	0	0	0	0	0
Fuel	99,548	99,282	99,282	99,282	99,282	99,282	99,282	99,282	99,282	99,282
Freight Claims, % of Freight Revenue	7,660	7,660	7,660	7,660	7,660	7,660	7,660	7,660	7,660	7,660
Derailments & Injuries	19,724	19,724	19,724	19,724	19,724	19,724	19,724	19,724	19,724	19,724
Locomotive Rentals (Capital + Maintenance)	0	0	0	0	0	0	0	0	0	0
Accumulated Construction Interest Expense	0	0	0	0	0	0	0	0	0	0
Subtotal Transportation	$249,497	$249,231	$249,231	$249,231	$249,231	$249,231	$249,231	$249,231	$249,231	$249,231
General and Administrative										
General Manager	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Administrative Assistant	0	0	0	0	0	0	0	0	0	0
Other Office Personnel	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Fringe Benefits	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000
Freight Car Accounting	44,100	44,100	44,100	44,100	44,100	44,100	44,100	44,100	44,100	44,100
Interline Settlements	0	0	0	0	0	0	0	0	0	0
Insurance - General Liability	49,980	49,980	49,980	49,980	49,980	49,980	49,980	49,980	49,980	49,980
Fire, Theft, Rolling Stock	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Travel & Entertainment	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Outside Accounting/Auditing	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Legal Services	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Automobile Expenses	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Rentals - Buildings and Property	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Office Expenses (phone, supplies, misc.)	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Utilities	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Depreciation - Office or Computer Equipment	0	0	0	0	0	0	0	0	0	0
Subtotal General	403,080	403,080	403,080	403,080	403,080	403,080	403,080	403,080	403,080	403,080

CentralUtahNoDebt

CENTRAL UTAH RAILROAD - INCOME STATEMENT - 4 - NO DEBT

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
EXPENSES (Continued)										
Other Expenses										
Car Hire	$65,999	$65,999	$65,999	$65,999	$65,999	$65,999	$65,999	$65,999	$65,999	$65,999
Property Taxes	0	0	0	0	0	0	0	0	0	0
Contingency	24,578	24,573	24,573	24,573	24,573	24,573	24,618	26,628	24,618	24,618
Subtotal Other	$90,577	$90,572	$90,572	$90,572	$90,572	$90,572	$90,617	$92,627	$90,617	$90,617
SUBTOTAL OPERATING EXPENSES	$1,303,381	$1,303,110	$1,303,110	$1,303,110	$1,303,110	$1,303,110	$1,300,905	$1,403,415	$1,300,905	$1,292,955
INCOME (LOSS) BEFORE INTEREST EXPENSE AND INCOME TAXES (NROI)	$228,619	$228,890	$228,890	$228,890	$228,890	$231,890	$231,095	$128,585	$231,095	$239,045
Interest Expense on Long-Term Debt	$83,186	$79,817	$76,208	$72,342	$68,200	$63,763	$59,010	$53,919	$48,465	$42,623
INCOME (LOSS) BEFORE INCOME TAXES	$145,432	$149,073	$152,682	$156,549	$160,690	$168,127	$172,085	$74,666	$182,630	$196,422

CentralUtahNoDebt

CENTRAL UTAH RAILROAD - CASH FLOW STATEMENT - NO DEBT

SOURCES OF CASH:	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash Generated from Revenues	$1,406,082	$1,532,000	$1,532,000	$1,532,000	$1,532,000	$1,532,000	$1,532,000	$1,532,000	$1,532,000	$1,532,000
Cash Disbursed for Expenses	($1,241,522)	($1,333,028)	($1,329,407)	($1,325,540)	($1,321,399)	($1,316,962)	($1,314,406)	($1,407,518)	($1,308,365)	($1,298,117)
Net Cash Generated by Operations	$164,560	$198,972	$202,593	$206,460	$210,601	$215,038	$217,594	$124,482	$223,635	$233,883
From Other Sources:										
Switching and Demurrage	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Sources of Cash	$164,560	$198,972	$202,593	$206,460	$210,601	$215,038	$217,594	$124,482	$223,635	$233,883
USES OF CASH:										
Payment of Debt Principal	($47,305)	($50,674)	($54,283)	($58,150)	($62,291)	($66,728)	($71,481)	($76,572)	($82,026)	($87,868)
NET INCREASE (DECREASE) IN CASH	$117,255	$148,298	$148,310	$148,310	$148,310	$148,310	$146,113	$47,910	$141,609	$146,015
CASH, BEGINNING OF YEAR	$136,000	$253,255	$401,553	$549,863	$698,173	$846,483	$994,793	$1,140,906	$1,188,816	$1,330,425
CASH, YEAR ENDING	$253,255	$401,553	$549,863	$698,173	$846,483	$994,793	$1,140,906	$1,188,816	$1,330,425	$1,476,440

CentralUtahNoDebt

CENTRAL UTAH RAILROAD - BALANCE SHEET

END OF YEAR

ASSETS	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Current Assets	$9,344,360	$1,867,836	$1,039,650	$1,003,716	$1,290,025	$1,574,314	$1,858,603	$2,104,977	$2,266,041	$2,539,599	$2,823,887
Investments & Other Assets	$63,905,640	$62,292,902	$60,680,165	$59,067,427	$57,454,689	$55,841,952	$54,243,464	$52,652,101	$51,060,739	$49,469,376	$47,893,913
TOTAL ASSETS	$73,250,000	$64,160,738	$61,719,815	$60,071,143	$58,744,714	$57,416,266	$56,102,067	$54,757,078	$53,326,780	$52,008,975	$50,717,800

MORE >>>

CURRENT LIABILITIES	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Current Liabilities	$0	$621,036	$227,414	$229,826	$231,847	$231,847	$231,847	$235,242	$242,578	$231,847	$231,847
Noncurrent Liabilities	$73,250,000	$70,362,437	$67,269,207	$63,955,661	$60,406,109	$56,603,739	$52,530,546	$48,167,239	$43,493,157	$38,486,162	$33,122,544
TOTAL LIABILITIES	$73,250,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

CentrailUtahNoDebt

This page is intentionally blank.